



U.S. Department of Justice

Federal Bureau of Investigation
Washington, D.C. 20535

April 9, 2013

Mr. Patrick McCraney
Better Government Association
Number 900
223 West Jackson Boulevard
Chicago, IL 60606

FOIPA Request No.: 1212153-000
Subject: LOCOCO, NICK

Dear Mr. McCraney:

Records responsive to your request were previously processed under the provisions of the Freedom of Information Act. Enclosed are 176 pages of previously-processed documents and a copy of the Explanation of Exemptions.

Additional records potentially responsive to your subject may exist. Please submit a new FOIA request if you would like the FBI to conduct a search of the indices to our Central Records System. Should you desire, you may also request that the enclosed documents be re-processed.

Submit requests by mail or fax to – Initial Processing, 170 Marcel Drive, Winchester, VA 22602, fax number (540) 868-4997.

It is unnecessary to adjudicate your fee waiver request because there are no assessable fees.

For your information, Congress excluded three discrete categories of law enforcement and national security records from the requirements of the FOIA. See 5 U.S. C. § 552(c) (2006 & Supp. IV (2010)). This response is limited to those records that are subject to the requirements of the FOIA. This is a standard notification that is given to all our requesters and should not be taken as an indication that excluded records do, or do not, exist.

You may file an appeal by writing to the Director, Office of Information Policy (OIP), U.S. Department of Justice, 1425 New York Ave., NW, Suite 11050, Washington, D.C. 20530-0001, or you may submit an appeal through OIP's eFOIA portal at <http://www.justice.gov/oip/efoia-portal.html>. Your appeal must be received by OIP within sixty (60) days from the date of this letter in order to be considered timely. The envelope and the letter should be clearly marked "Freedom of Information Appeal." Please cite the FOIPA Request Number assigned to your request so that it may be identified easily.

Sincerely yours,

David M. Hardy
Section Chief,
Record/Information
Dissemination Section
Records Management Division

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 2/8/92

The below represents a transcript of a conversation intercepted as a result of court authorized monitoring of wire communications over telephone [redacted] subscribed to by [redacted] Chicago, Illinois. Monitoring of these communications was authorized by court ordered signed on 4/15/88 by United States District Court Judge JOHN F. GRADY designated [redacted] The below transcript results from the interception of a telephone call from [redacted] [redacted] which occurred on [redacted] at approximately [redacted]

b3

Investigation on 5/13/88 at Chicago, Illinois File # 183B-2197 SUB R
by SA [redacted] RGW/tp Date dictated 5/14/88

b6
b7c

Date 7/7/95

☐ Birth ☐ Credit ☒ Criminal ☐ Death ☐ INS ☐ Marriage* ☐ Motor Vehicle ☐ Other _____

To NCIC Buded _____

Return to [redacted] 1508 File number 164- b6
b7C

Name and aliases of subject, applicant, or employee, and spouse

LOCOCO, Nick M.

Addresses
Residence 3003 S. PULASKI CHICAGO, IL 60608

Business _____

Former _____

*Date and place of marriage _____
(if applicable)

Race	Sex	Age	Height	Weight	Hair	Eyes
	<input checked="" type="checkbox"/> Male <input type="checkbox"/> Female	<u>55</u>				

Birth date APRIL 12, 1940 Birthplace _____

Arrest Number _____ Fingerprint classification _____ Criminal specialty _____

Social Security Number 335-32-4430 Drivers License Number _____

Specific information desired

LOCAL ARREST CHECK & NCIC WANTS & CCH

Results of check

ALSO PLEA MUR 38 CAVAR DEPRIVED

Serial

L40934
164C-CG--99372

L220-6334-0105
XK 4081
WSA 624

STID IL20653230
FBI 240079 V2

SEARCHED	INDEXED
SERIALIZED	FILED
JUL 11 1995	
FBI - CHICAGO	

280

NOTE: Hand print names legibly; handwriting satisfactory for remainder.

Indices: ☐ Negative ☐ See below

Subject's name and aliases

LOCOCO, NICK M.

Character of case

164C- CRIME ABOARD AIRCRAFT-
WEAPON

Complainant ☐ Protect Source

C.P.D. OFFICER

Complaint received

☐ Personal ☒ Telephonic

Date 6/24/95 Time 2 PM

Address of subject

CHICAGO,
3003 S. QUINN, 60608

Complainant's address and telephone number

Subject's
Description

Race

Sex

☐ Male

☐ Female

Height

Hair

Build

Birth date and Birthplace

APRIL 12, 1940

Age

Weight

Eyes

Complexion

Social Security Number

335-32-4430

Scars, marks or other data

Facts of complaint

ON 6/24/95 SUBJECT SET OFF A MORTAL DETECTOR
AT MIDWAY AIRPORT, HE IS A BUSINESS MAN
& SAYS HE FORGOT HE HAD IT IN HIS BRIEFCASE.
GUN WAS A .38 CALIBER PENNINGTON. MADE IN
ITALY, FLORIAN MODEL TA 38 SERIAL #
L40934. CPD SAYS GUN IS CLEAR. SUBJECT
WAS COOPERATIVE WITH CPD. SUBJECT PHONE #
[312] 842-2352

ABOVE INFO CALLED TO SA DILLON
BY DUTY AGENTS

DATA
to SA
7/13/95
D/AMB

Ahead
was arrested
we will open a
R-101; out 6/16/95

(Complaint received by)

Do not write in this space.

164C-CG J-99372
JUL 10 1995

b6
b7C

b6
b7C



U.S. Department of Justice

Federal Bureau of Investigation

In Reply, Please Refer to
File No.

164C-CG-99372

219 South Dearborn
Chicago, Illinois 60604

August 1, 1995

NICK M. LOCOCO
MIDWAY AIRPORT, CHICAGO, ILLINOIS;
JUNE, 24 1995;
CRIME ABOARD AIRCRAFT-
CARRYING A WEAPON ABOARD AIRCRAFT.

On June 24, 1995 at approximately 7:20am, NICK M. LOCOCO was arrested at Midway Airport by the Chicago Police Department after attempting to pass through a security check point with a firearm inside a soft-cloth briefcase located inside his carry-on luggage. The firearm that was recovered from the soft-cloth briefcase was identified as a small blue steel Excamb derringer, Model TA .38 caliber, serial number L40934. LOCOCO indicated to the arresting officer that he forgot to take the firearm out of his briefcase prior to coming to the airport.

LOCOCO was subsequently charged with Boarding a Plane with a Dangerous Weapon, and the Unlawful use of a Weapon. Chicago Police conducted a stolen check of the firearm, which proved to be negative.

2-Bureau

3-Chicago

1-164C-CG-99372

1-66-4799

1-66-5080

1-U.S. Attorney's Office, Chicago

1-Secret Service, Chicago

1-ATF

1-FAA

RWC/rwc

(9)

164C-CG-99372-3

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 04 1995	
[Signature]	

164C-CG-99372

On June 28, 1995, LOCOCO appeared in Branch 48 court of the City of Chicago under docket number 95-134647 and plead not guilty. On July 27, 1995 LOCOCO re-appeared in Branch 48 court of the City of Chicago and probable cause was found and LOCOCO'S case, docket number 95-134647 was assigned to the Chief Judge for a hearing on August 17, 1995.

The following is a personal description of LOCOCO that was obtained from the arrest report and previous case files:

Name:	NICK M. LOCOCO
Sex:	Male
Race:	White
Date of Birth:	April 12, 1940
Height:	6'0"
Weight:	180 pounds
Eyes:	Brown
Hair:	Brown
Social Security Number:	335-32-4388

A check of the General, ELSUR, Global, and Criminal Chicago Indices were conducted with positive results. It was discovered that LOCOCO has a history of associating professionally and socially with members of the Chicago LCN and is a verified member of the, LA PIETRA-26th ST. CHINATOWN CREW of the Chicago LCN acting as a "Juice Collector" and a fraudulent business proprietor.

Further checks that were conducted with the Chicago Division Organized Crime Squad, verified LOCOCO's past involvement with the Chicago LCN but failed to substantiate any recent or ongoing activity that LOCOCO may be involved in. As of August 1, 1995 there are no investigations being conducted into the activities of NICK M. LOCOCO.

The Federal Aviation Administration (FAA), Chicago, Illinois, was notified by the Chicago Police Department and with the case being prosecuted by the State of Illinois, there is no further investigation required by the Federal Bureau of Investigation, as this case falls under the automatic declination policy of the United States Attorney's Office. The Chicago office is considering this case closed.

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☒ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS

Date 8/1/95

To: Director, FBI

Attention:

From: SAC: Chicago (164C-CG-99372) (C)

Criminal Investigative Division
☐ CTS/Counterterrorism Section
☒ VCMOS/Violent Crimes and
 Major Offenders Section

Subject: NICK M. LOCOCO;
 MIDWAY AIRPORT,
 CHICAGO, ILLINOIS;
 6/24/95;
 CAA-WEAPON;
 OO:CHICAGO

☐ DAMV ☒ CAA
☐ EID ☐ Bomb Threats ☐ AP ☐ IWFC ☐ CWAA ☐ FI

Summary of Complaint: On June 24, 1995 at approximately 7:20am, NICK M. LOCOCO was arrested at Midway Airport by the Chicago Police Department after attempting to pass through the security check point with a firearm inside his soft-cloth briefcase that was located inside his carry-on luggage. The firearm was recovered by the Chicago Police and discovered to be a Excam derringer, model TA, .38 caliber, serial number, L40934. LOCOCO indicated to the arresting officer that he had forgotten to remove the firearm from his briefcase prior to his arrival at the airport.

INDICES: ☐ Negative ☒ Summary
 ACTION: UACB:

2-Bureau

3-Chicago

① 164C-CG-99372

1-66-4799

1-66-5080

RWC/IRW

(5)

☒ No further action being taken and
☒ LHM enclosed ☒ Copy to:
☐ FD-376 (Enc. to LHM)
☐ LHM being submitted
☐ Report being submitted
☐ Preliminary investigation instituted
☐ Limited investigation instituted
☐ Investigation continuing

☒ USA CG
☒ Secret Service CG
☒ ATF CG
☒ FAA CG

Approved: _____

Transmitted _____

(Number)

(Time)

Per _____

(ATTACHMENT C)

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 4/28/93

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b7C

TO : DIRECTOR, FBI
(ATTN: SSA [REDACTED] LCN/IOC - LABOR UNIT,
OC/DO SECTION #2, CID SECTION)

FROM : SAC, CHICAGO (SQUAD 6A)

SUBJECT : CHANGED
JOSEPH FRANK LAMANTIA, aka Shorty,
Rocco Madia, Joseph Lamantis, Rocco Morano;

[REDACTED]
NICHOLAS M. LOCOCO, aka Stick;

[REDACTED]
FRANK J. ABBATEMARCO;

[REDACTED]

RECORDED COPY FILED IN

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b7C

4 - Bureau
2 - Chicago
(1 - 281A-CG88433)
(1 - 281A-CG88435)
RGW:rgw
(6)

4/28/93
5/6/93
JBN

3400

Approved: _____ Transmitted _____ (Number) (Time) Per _____

281A-CG88433
281A-CG88435





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b7C

OC/DI - LCN AND ITALIAN ORGANIZATIONS - LAPIETRA
CREW; OO: CHICAGO
(281A-CG88433) (P)

ANGELO LAPIETRA, aka;
ET AL;
OC/DI - LCN AND ITALIAN
ORGANIZATIONS - LAPIETRA CREW;
OO: CHICAGO
(281A-CG88435) (P)

Re: Chicago airtel to the FBIHQ dated 10/27/92.

Title Marked Changed to include additional subjects
JOSEPH FRANK LAMANTIA, 
J. ABBATEMARCO, 

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b7C





and their respective aliases.

The purpose of this communication is to update FBIHQ regarding the status of captioned investigations.

These cases were started as part of an Organized Crime Task Force (OCTF) investigation targeting Chicago's LCN activities on the near south side in April 1985. Although separate cases, 281A-CG88433 and 281A-CG88435 investigations, comprise cases developed against the 26th Street/Chinatown Street Crew headed by ANGELO LAPIETRA.

Investigation to date, supported by nine (9) Title III's, has resulted in evidence of Racketeer Influenced and Corrupt Organizations (RICO) including Extortionate Credit Transactions (ECT), Illegal Gambling Businesses (IGB), Hobbs Act ITAR Extortion, and Narcotics Trafficking.

PROSECUTIVE STATUS:

A meeting was held with Assistant United States Attorney (AUSA)  on April 19, 1993. AUSA  advised that he would be indicting the 281A-CG88433 matter prior to August 1993. A RICO indictment will charge subjects

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281A-CG88433
281A-CG88435

[REDACTED]

Federal Grand Jury subpoenas had been issued for [REDACTED]
additional subjects. [REDACTED]

[REDACTED]

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Subjects [REDACTED]
[REDACTED] were indicted on November 5,
1992 in the narcotics aspect of this matter, which is being
handled through file 281A-CG88435. Subject [REDACTED] and
subject [REDACTED] are expected to negotiate plea agreements
within the next thirty days. Subjects [REDACTED]
remain fugitives. Subject [REDACTED] has fled to Italy and
[REDACTED] whereabouts are unknown.

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The Bureau will be advised of further progress in the
prosecution of these matters on a timely basis.

SUBJECT IDENTIFIERS:

NAME:	JOSEPH FRANK LAMANTIA
ALIAS:	"SHORTY", ROCCO MORANO, ROCCO MADIA, JOSEPH LAMANTIS
RACE:	White
SEX:	Male
DOB:	February 1, 1934
POB:	Chicago, Illinois
HEIGHT:	5'7"
WEIGHT:	225'
HAIR:	Gray
EYES:	Brown
FBI NUMBER:	677113A
CHICAGO IR #:	26316
LKA:	2812 South Shields, Chicago, Illinois

281A-CG88433
281A-CG88435

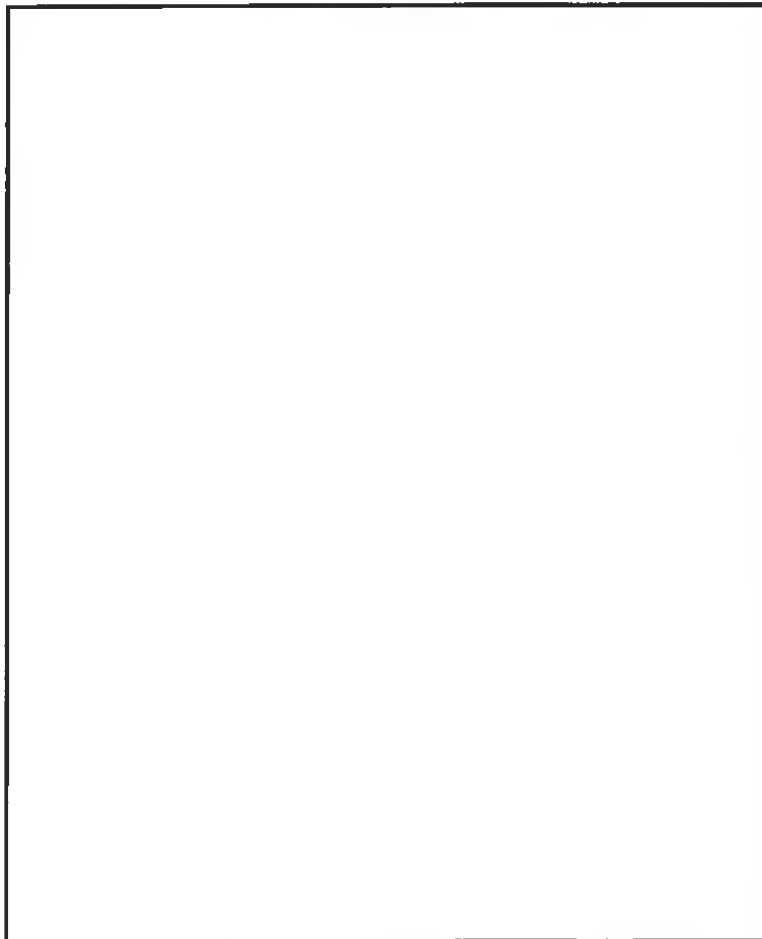
EYES:
CHICAGO IR #:
SSAN:
ILLINOIS DL:
LKA:



NAME: FRANK J. ABBATEMARCO
RACE: White
SEX: Male
DOB: April 17, 1923
HEIGHT: 5'6"
WEIGHT: 120'
HAIR: Brown
EYES: Brown
SSAN: 349-94-4094
ILLINOIS DL: A135-2702-3110
LKA: 15324 Tree Top Drive, Orland Park, Illinois

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NAME:
ALIAS:
RACE:
SEX:
DOB:
HEIGHT:
WEIGHT:
HAIR:
EYES:
SSAN:
ILLINOIS DL:
LKA:



NAME:
RACE:
SEX:
DOB:
HEIGHT:
WEIGHT:
HAIR:
EYES:
SSAN:
ILLINOIS DL:
LKA:

NAME:
ALIAS:
RACE:
SEX:
DOB:

281A-CG88433
281A-CG88435

NAME:
RACE:
SEX:
DOB:
HEIGHT:
WEIGHT:
HAIR:
EYES:
ILLINOIS DL:
LKA:

NAME:
ALIAS:
RACE:
SEX:
DOB:
HEIGHT:
WEIGHT:
HAIR:
EYES:
ILLINOIS DL:
LKA:

NAME:	NICHOLAS M. LOCOCO
ALIAS:	Stick
RACE:	White
SEX:	Male
DOB:	April 12, 1940
HEIGHT:	6'1"
WEIGHT:	195'
HAIR:	Black
EYES:	Brown
FBI NUMBER:	240079V2
ILLINOIS DL:	L220-6334-0105
CHICAGO IR #:	550205
LKA:	220 West 24th Place, Chicago, Illinois

NAME:
RACE:
SEX:
DOB:
HEIGHT:
WEIGHT:
HAIR:
EYES:
CHICAGO IR #:
ILLINOIS DL:

b6
b7c

320

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 6/2/93

TO : DIRECTOR, FBI
(ATTN: SSA ROBERT CASEY, EUROPEAN/
ASIAN UNIT, OC/DO #2)

FROM : SAC, CHICAGO (281A-CG-88433) (P) (SQ. 6A)

SUBJECT : JOSEPH FRANK LAMANTIA, aka Shorty,
Rocco Madia, Joseph Lamantis, Rocco Morano;

NICHOLAS M. LOCOCO, aka Stick;

FRANK J. ABBATEMARCO;

- ② - Bureau (Enc.
2 - Los Angeles (Enc. 1)
(ATTN: SA [redacted]
West Covina RA)
- 1 - Chicago
RGW:bej
(5)

1 - series 0
retained by OGC, [redacted] 6/16/93

Approved: _____

Transmitted _____

(Number) (Time)

Per _____

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b7c

b6
b7c

3267

[REDACTED]
OC/DI - LCN & ITALIAN
ORGANIZATIONS - LAPIETRA CREW;
OO: CHICAGO

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b7C

Re Chicago SA [REDACTED] telcall to SSA ROBERT
CASEY, FBIHQ, 5/27/93.

Enclosed one photograph each for Los Angeles
Division and FBIHQ of WING C. CHAN.

As per referenced telcall, Chicago Division
anticipates indictment of captioned matter within sixty (60)
days. A potential witness victim in this matter is WING C.
CHAN. CHAN fled the Chicago area in 1985 or 1986 owing
thousands of dollars to the LA COSA NOSTRA (LCN) subjects in
this case. The debt is believed to be a result of CHAN's
involvement in an illegal gambling operation. Unsubstantiated
source information indicated CHAN fled to the Houston, Texas
area. The source advised CHAN ultimately was located and
executed by members of the Chicago LCN. Attempts to verify
the source information have not been successful.

In referenced telcall, SSA CASEY advised
Confidential Source formerly [REDACTED] is
currently being operated by Los Angeles Division SA [REDACTED]
[REDACTED] The source may be in position to provide information
regarding CHAN's whereabouts or demise.

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b7D

CHAN is described as follows:

Name:	WING C. GHAN
Alias:	PAT
Race:	Oriental
Sex:	Male
Date of Birth:	January 11, 1955
Height:	5'8"
Weight:	150 pounds
Eyes:	Brown
Hair:	Black

281A-CG-88433

LEADS:

Los Angeles Division

at West Covina, California

1. Interview referenced source regarding any knowledge of CHAN or his whereabouts.
2. Advise Chicago of results.

Dep. Dir.	
Asst. Dir.:	
Adm. Serv.	
Crim. Inv.	
Ident.	
Insp.	
Intell.	
Lab.	
Legal Coun.	
Off. Cong. & Public Affs.	
Rec. Mgmt.	
Tech. Serv.	
Training	
Off. Liaison & Int. Affs.	
Off. of the Inspector General	

74

0069 MRI 00614

RR RUCNFB

DE FBICG #0001 2071516

ZNR 00000

R 261515Z JUL 93

FM FBI CHICAGO (281A-CG-88433) (P)

TO DIRECTOR FBI/ROUTINE/

BT

UNCLAS

CITE: 113150:SQ6A//

PASS: SSA [redacted]

LCN/IDC - LABOR UNIT, OC/DO

SECTION 2, CID; FUGITIVE UNIT, VCMD SECTION.

SUBJECT: CHANGED - JOSEPH FRANK LAMANTIA, AKA SHORTY,
ROCCO MADIA, JOSEPH LAMANTIS, ROCCO MORANO - FUGITIVE(C);

[redacted]

note
Done
member
et al

[redacted]

281A-CG-88433-5
to
Rm 76

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PAGE TWO DE FBICG 0001 UNCLAS

GINO; DC/DI - LCN AND ITALIAN ORGANIZATIONS - LAPIETRA CREW;

OO: CHICAGO.

TITLE MARKED CHANGED TO DELETE SUBJECTS FRANK J.

ABBATEMARCO, [REDACTED]

[REDACTED] NICHOLAS M. LOCOCO [REDACTED]

[REDACTED] AND THEIR RESPECTIVE ALIASES AND, TO ADD SUBJECT [REDACTED]

RE CG AIRTEL TO FBIHQ DATED APRIL 28, 1993.

ADMINISTRATIVE:

FD 65 NOT SUBMITTED ON SUBJECTS LAMANTIA, [REDACTED]

[REDACTED] DUE TO THEIR ARREST PRECEDING SUBMISSION OF THE

FD 65.

THIS CASE IS PART OF AN ORGANIZED CRIME TASK FORCE (OCTF) INVESTIGATION TARGETING LCN ACTIVITIES ON CHICAGO'S NEAR SOUTH SIDE. ON JULY 22, 1993, THE INVESTIGATION, SUPPORTED BY NINE (9) TITLE III'S, RESULTED IN A FEDERAL GRAND JURY IN THE NORTHERN DISTRICT OF ILLINOIS ISSUING A FIVE COUNT INDICTMENT FOR RACKETEERING CONSPIRACY, OPERATION OF AN ILLEGAL GAMBLING BUSINESS, CONSPIRACY TO OPERATE AN ILLEGAL GAMBLING BUSINESS, AND MAKING OF EXTORTIONATE EXTENSIONS OF CREDIT, ALL IN

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b7C

PAGE THREE DE FBICG 0001 UNCLAS

VIOLATION OF TITLE 18, UNITED STATES CODE, SECTIONS 371, 892,
1955, 1962(D) AND 2, AGAINST SUBJECTS LAMANTIA, *member*

SUBJECTS

WERE INDICTED FOR CONSPIRACY TO OPERATE AN
ILLEGAL GAMBLING BUSINESS, AND OPERATION OF AN ILLEGAL
GAMBLING BUSINESS IN VIOLATION OF TITLE 18, UNITED STATES
CODE, SECTION 1955, AND TITLE 18, UNITED STATES CODE, SECTION
371. FURTHER SUBJECT WAS ALSO INDICTED FOR FALSE
DECLARATIONS BEFORE THE GRAND JURY IN VIOLATION OF TITLE 18,
UNITED STATES CODE, SECTION 1623. BENCH WARRANTS WERE ISSUED
FOR SUBJECTS LAMANTIA, SUMMONS TO
APPEAR WERE ISSUED FOR THE REMAINING SUBJECTS.

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ON JULY 23, 1993, AT 11:00 AM, SUBJECTS LAMANTIA,
 WERE ARRESTED WITHOUT INCIDENT BY THE
CHICAGO FBI ORGANIZED CRIME TASK FORCE. THOSE FOUR SUBJECTS
WERE BROUGHT BEFORE FEDERAL MAGISTRATE JOAN HUMPHREY LEFKOW
FOR THEIR INITIAL APPEARANCE. LAMANTIA WERE RELEASED
ON \$50,000 BOND, WERE RELEASED ON \$25,000
BOND. ARRAIGNMENT IS SCHEDULED FOR JULY 27, 1993, BEFORE
JUDGE DUFF.

b6
b7C

PAGE FOUR DE FBICG 0001 UNCLAS

FOR INDEXING PURPOSES SUBJECT IS DESCRIBED AS

FOLLOWS:

NAME:

ALIAS:

RACE: WHITE

SEX: MALE

DOB:

HEIGHT: 5'7"

WEIGHT: 170'

HAIR: BROWN

EYES: BLUE

ILLINOIS DL:

CHICAGO IR#:

FBI NUMBER:

LKA:

CHICAGO, ILLINOIS

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b6
b7c

THE BUREAU WILL BE ADVISED OF FURTHER PROGRESS IN THE
PROSECUTION OF THESE MATTERS ON A TIMELY BASIS.

BT

#0001

NNNN

File - Serial Charge Out
FD-5 (Rev. 6-17-70)

File _____ Date _____
Class. _____ Case No. _____ Last Serial _____

☐ Pending ☐ Closed

Serial No. _____ Description of Serial _____ Date Charged _____

~~8~~
~~4~~
~~5~~

5-91

10-91

OCIS

Employee

RECHARGE

Date _____

To _____ From _____

Initials of Clerk {

Date {

Date charged

Employee

Location

Memorandum



To : SAC, CHICAGO (92A-5297 SUB D) (P)

Date 2/14/91

From : SA [REDACTED] (SQUAD 6A)

Subject: ANGELO LA PIETRA, AKA;
ET AL;
RICO (B);
OO: CHICAGO

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For the information of the file, CG 92A-5297 Sub D is the REI Control File for the LA PIETRA/[REDACTED] LCN Street Crew; CG 183B-2197 is the substantive [REDACTED] investigation; CG 183B-2340 is the substantive [REDACTED] investigation; and 183B-2360 is the substantive [REDACTED] investigation.

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From a review of the above substantive files, OCIS printouts and other Chicago files, the following individuals are identified as being members of or closely associated with the LA PIETRA/[REDACTED] Crew, (those with existing substantive open sub-files, or whose activities are adequately addressed in a substantive main file, are so noted):

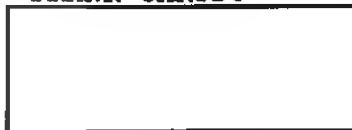
JOSEPH LA MANTIA



183B-2340
183B-2360 SUB Z(42)
183B-2360 SUB Q
183B-2360 SUB Z(2)
183B-2360 SUB Z(12)
183B-2360 SUB X

b6
b7C

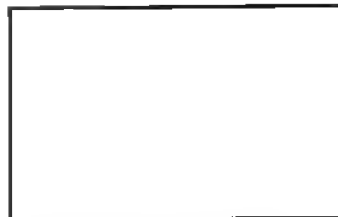
FRANK CARUSO



183B-2197
183B-2340

- ① 92A-5297
1 - 92A-5297 SUB D
1 - 183B-2197
1 - 183B-2340
1 - 183B-2360
1 - SSA [REDACTED]
1 - Each Identified Agent/Officer
PFH/bcb
(12)

b6
b7C



183B-2197
183B-2340
183B-2360 SUB S
183B-2360

ANGELO IMPARATO
ANTHONY IMPARATO

183B-2197 (Incarcerated)
183B-2340
(Deceased)

b6
b7C



JAMES LA PIETRA

183B-2197
183B-2197 (Incarcerated)
183B-2197
183B-2197 and 183B-77421
183B-2360 SUB V and Squad 6C
Substantive File
183B-2197 and Substantive IRS case

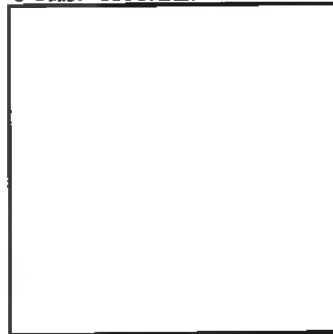


NICK LOCOCO



JOHN MONTELEONE

183B-2197 and 183B-77421



183B-2197
183B-2360 SUB Z(4)
183B-2197

b6
b7C

183B-2360 SUB W
183B-2197
183B-2197
183B-2197
183B-2360 SUB Z(20)



183B-2360 SUB R
183B-2197



183B-2340
183B-2340
183B-2360 SUB Z(36)
183B-2197
183B-2197

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The following sub-files need to be established for CG 92A-5297 SUB D by the Rotor Clerk; 1A sections for each sub-file should be established; and lead cards set out for each sub-file as noted:

	<u>TITLE</u>	<u>LEAD ASSIGNED</u>
92A-5297 SUB D1	JOSEPH LA MANTIA	ISP SA [REDACTED]
92A-5297 SUB D2	[REDACTED]	SA [REDACTED]
92A-5297 SUB D3	[REDACTED]	SA [REDACTED]
92A-5297 SUB D4	FRANK CARUSO	Det. [REDACTED]
92A-5297 SUB D5	[REDACTED]	Det. [REDACTED]
92A-5297 SUB D6	[REDACTED]	Det. [REDACTED]
92A-5297 SUB D7	[REDACTED]	SA [REDACTED]
92A-5297 SUB D8	[REDACTED]	SA [REDACTED]
92A-5297 SUB D9	NICK LOCOCO	Det. [REDACTED]
92A-5297 SUB D10	[REDACTED]	Det. [REDACTED]
92A-5297 SUB D11	[REDACTED]	ISP SA [REDACTED]
92A-5297 SUB D12	[REDACTED]	Det. [REDACTED]
92A-5297 SUB D13	[REDACTED]	SA [REDACTED]
92A-5297 SUB D14	[REDACTED]	SA [REDACTED]

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SAs [REDACTED]
[REDACTED] will not be assigned new REI sub-files at this time.

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b7C

For the purposes of indexing, the Rotor Clerk should index each sub-file as a main file.

Universal File Case Number 92A 5297 D9 ^{LA}

Field Office Acquiring Evidence CG

Serial # of Originating Document _____

Date Received 4/26/91

From CHICAGO POLICE DEPT
(Name of Contributor)

(Address of Contributor)

By DET.
(City and State)
(Name of Special Agent)

b6
b7C

To Be Returned ☐ Yes ☒ No

Receipt Given ☐ Yes ☒ No

Grand Jury Material - Disseminate Only Pursuant to Rule 6 (e)

Federal Rules of Criminal Procedure

☐ Yes ☒ No

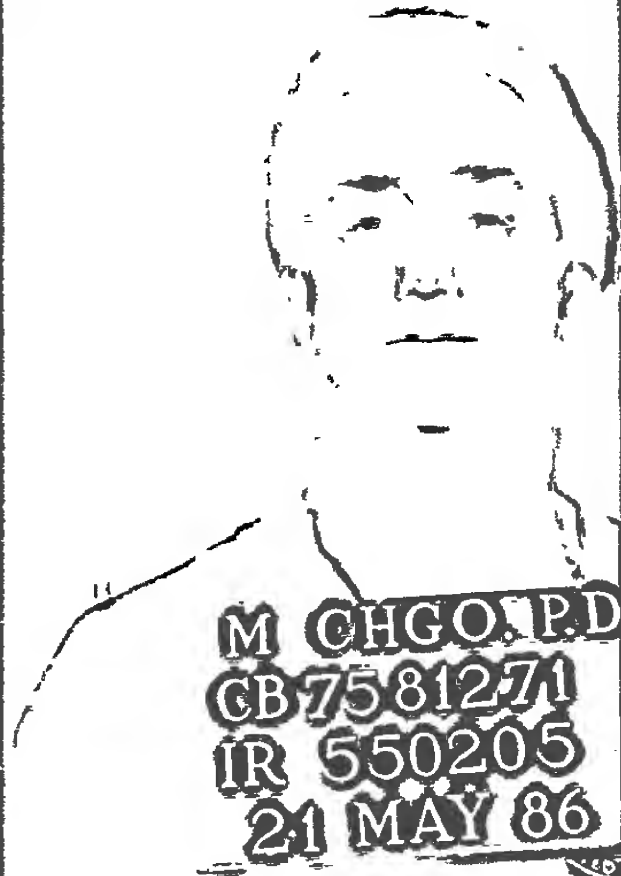
Title:

POLICE DEPT. ARREST PHOTOS
OF NICK LOCOCO

Reference: _____
(Communication Enclosing Material)

Description: ☐ Original notes re interview of

[Handwritten signature]
[Handwritten initials]



NICK LoCOCO

Memorandum



To : SAC CHICAGO (92A-5297 SUB D) (P)

Date 3/10/91

From : SA [REDACTED] (SQUAD 6A)

Subject: ANGELO LA PIETRA, AKA;
ET AL;
RICO (B);
OO:CG

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The purpose of this memorandum is to effect the reassigning of the following Sub D subfiles as indicated below:

<u>Sub file #</u>	<u>From</u>	<u>To</u>
92A-CG-5297 Sub D9 NICK LOCOCO	[REDACTED]	
92A-CG-5297 Sub D10 [REDACTED]	[REDACTED]	

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It is recommended that the above reassignments be made due to Detective [REDACTED] leaving Squad 6A and leaving the Organized Crime Task Force. (OCTF).

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- 1 - 92A-5297
 - ① - 92A-5297 SUB D 9
 - 1 - 92A-5297 SUB D 10
 - 1 - 183B-2197
 - 1 - 183B-2340
 - 1 - 183B-2360
 - 1 - SSA [REDACTED]
 - 1 - SA [REDACTED] (ISP) SQ. 6A
 - 1 - DET. [REDACTED] (CPD) SQ. 6A
- PFH/pfh
(9)

cc Roter
Reassign to [REDACTED]
Detective [REDACTED]
Sq 6A
Rm 3/13/91

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92A-5297-SUB D-9

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 13 1991	
FBI - CHICAGO	

[REDACTED] [REDACTED]

Chicago, Illinois 60605



U.E. No. 5-205

LOC 00 Nick M. M/W

22 May 79

12 Apr 40

I.R. NO.		FBI NO.	I.S.B. NO.
NAME & ADDRESS		G.B. NO.	CHARGE
550205		240 079 1/2	2065323
DATE OF ARREST		ARRESTING OFFICER & DIST.	
DISPOSITION			
Nick M. LOCOCO 220 W. 24th Pl		5525154	-22 May 79 Off. [REDACTED] VCDG (CD) Gam Keeper 30 Aug 79, Keeper of Bets(38-28-1a5), Transmit by Phone(38-28-1a10), Keeper of Place(38-28-3) Please Not Guilty, Finding Not Glty-Discharged. Judge Sodini
Nick M. LOCOCO 220 W. 24th Pl. 12 Apr 40		7581271	-20 May 86, Off. [REDACTED] VCS (MCD) Gambling 17 Jun 86, Keeping gambling place (38-28-3)SOL (2) Judge SMIERCIAK DOC # 86-119028801. 17 Apr 86, Keeper(38-28-3)Transmitting(38-28-1a10) SOL, Judge Smerciak, Doc#86-190288
ISSUED ON INQUIRY			
MAY 1 11991			
BY NAME CHECK ONLY			

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ISSUED ON INQUIRY

MAY 1 1991

3Y NAME CHECK ONLY

CONFIDENTIAL --Further dissemination of information contained in this record is forbidden. When this record has served the purpose for which it was issued, it must be destroyed. (U.S. Dept. of Justice Rules & Regulations S.S. 20.33).

Memorandum



To : SAC, CHICAGO (92A-5297 Sub D9) Date 5/15/91
(ATTN: Det. [redacted] 6A)

From : OCIA [redacted]

b6
b7C

Subject: NICHOLAS M. LOCOCO

Re Routing Slip of Detective [redacted] Chicago Police Department, 4/25/91, requesting analysis of LOCOCO.

This memo sets out the results of a review of OCIS and files pertinent to this matter.

NICHOLAS M. LOCOCO, aka Nick the Stick, dob 04/12/40, is a member of the Twenty Sixth Street Crew, and resides at 220 West 24th Place, Chicago, Illinois. Informants of the Chicago Division have described LOCOCO as a bookmaker, loanshark, collector for bookmaking activities, a collector in a food coupon operation, and narcotics trafficker.

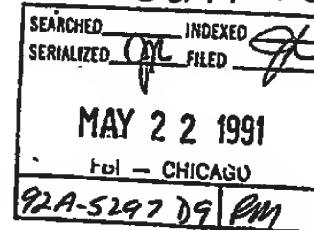
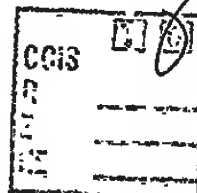
(CG 183-589 Serial 260 - informant info)
(CG 182-4238 Serial 1 - informant info)
(CG 183-1793 Serial 46 - informant info)
(CG 183A-2115 Serial 102 - informant info)

The following is a description of LOCOCO:

Height	6'01"
Weight	195 lbs
Hair	Black, receding hairline
Eyes	Brown
FBI Number	240079V2
Chicago PD Numbers	IR550205 RDJ394977
ILDL Number	L22063340105

The above information may have been provided through interviews of subjects, informants and other investigative techniques. The information about associates, affiliations, and activities should not be used in an affidavit without first checking the listed source.

② - Chicago
1 - 92-5169 Sub I (OCIS)
HMM
(2)



CG 92A-5297 Sub D9

**BUSINESS
AFFILIATIONS**

As of 1967, LOCOCO was employed by the City of Chicago Streets and Sanitation Bureau, (address unknown) in an unknown capacity.

(CG 183B-2112 Serial 222)
(CG 183B-2197 Sub J Serial 183)

LOCOCO is a member of the Old Neighborhood Italian American Club, 266-268 West 26th Street, Chicago, Illinois.

(CG 183B-2112 Serial 222)

LOCOCO owns interest in Midwest Protective Coating, 12320 South Page, Calumet Park, Illinois.

(CG 183B-2197 Sub J Serial 139)
(CG 183B-2197 Sub Q Serial 45)

ASSOCIATES

LOCOCO is linked to numerous members of the Twenty-Sixth Street Crew, including the following:

LOCOCO is responsible to and shares a collection and gambling relationship with Chicago LCN member ANGELO LAPIETRA. LAPIETRA, boss of the Twenty-Sixth Street Crew, is currently incarcerated at the Federal Correctional Institute, Petersburg, Virginia, serving a sixteen year sentence in connection with a conviction for a Las Vegas skimming operation in the case captioned, "STRAWMAN, RICO Chicago file 183A-726."

(CG 182-4238 Serial 1 (informant)
(CG 183-1692 Serial 301
(CG 183B-1793 Serial 46) (informant)
(CG 183B-2197 Serial 283)
(CG 183B-2197 Serial 290)
(CG 183-1793 Serial 46) (informant)

LOCOCO is a business associate of narcotics conspirator [redacted] in that [redacted] own interest in Midwest Protective Coating, supra.

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(CG 183B-2197 Sub J Serial 139)
(CG 183B-2197 Sub L Serial 189)

CG 92A-5297 Sub D9

It is noted that [] has a narcotics relationship with Chicago LCN associate [] a known bookmaking conspirator and collector - gambling, who is also known to traffic in narcotics. At this time, it is not known if [] is related to Chicago LCN Member []

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(CG 183B-2197 Sub J Serial 139)
(CG 183-1876 Sub G Serial 22) (informant)
(CG 183B-2360 Sub U Serial 4)
(CG 183B-2340 Serial 103)

Chicago file 183B-2197 Serial 275 (informant) sets forth a relationship between LOCOCO and one []. According to the source, LOCOCO approached [] to sell cocaine for him.

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[] is described as a bookmaker, gambling conspirator and narcotics user, who is addicted to Chinese white heroin. Chicago informants have advised that [] allegedly stole \$12,000 worth of heroin from the Chinese at a noodle company on Wells Street. It should be noted that [] is a member of the Twenty Sixth Street crew, and reportedly carries a weapon and owns a Uzi which he has fired. [] is also employed by the City of Chicago Streets and Sanitation Division, address unknown.

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(CG 183A-2115 Serial 166)
(CG 183A-2197 Serial 283)
(CG 183C-74886 Sub K84 Serial 6) (Informant)
(CG 183B-2184 Sub C Serial 228) (Informant)
(CG 183B-77792 Serial 81) (Informant)
(CG 183A-2115 Serial 166)

CRIMINAL ACTIVITY - LOANSHARKING

A review of Chicago file 183B-2197 Sub Q Serial 4 revealed the following regarding LOCOCO's loansharking activity:

On 9/13/87, NICHOLAS LOCOCO received a gunshot wound (superficial) to the head (the bullet entered and exited the head area). FBI Agents subsequently interviewed the assailant in this matter, one [] described in OCIS as a co-worker of LOCOCO, had received a \$3,500 juice loan from LOCOCO and had repaid the \$3,500. LOCOCO threatened [] with physical harm on various occasions if he did not repay a sizable amount of interest. A Chicago Police Department report regarding this shooting can be found under CGPD number J394977, and is located in Chicago file 183B-2197 Sub V serial 2.

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CRIMINAL ACTIVITY - GAMBLING

It should be noted that LOCOCO acted as a "beard" (a person whose job is laying off bets for a bookie) in a large-scale gambling operation that involved DONALD ANGELINI, DOMINIC CORTINA, HAL SMITH and other major LCN bookmakers. It should be noted that HAL SMITH, a major LCN gambling operator, was the victim of a gangland murder in February, 1985. A review of Chicago 183B-2121 Sub D Serial 13 contains Arlington Heights Police Department murder report Number 85-2899. Details regarding the above mentioned gambling investigation can be found in Chicago file 183-1852 Sub H Serial 87.

In addition, Chicago file 183B-2197 Sub X Serial 4 indicates as of December, 1987, LOCOCO used Chicago telephone number [redacted] to take bets. The subscriber to this phone number as of 5/20/86, was listed as [redacted] Chicago, Illinois. CG file 183B-2197 serial 267 (informant) and 183B-2340 serial 103, describe [redacted] as a runner-bookmaking and a bookmaking conspirator, respectively. [redacted] is listed as a co-worker of IACOCO's in that they are both employed by the Chicago Streets and Sanitation. (CG 183B-2197 Sub J Serial 183).

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A review of Chicago file 182A-4238 Serial 1 indicates that on [redacted] a Chicago informant advised that [redacted] Bets over \$50 were being taken at a wireroom at telephone number [redacted] or [redacted] One of the collectors for this bookmaking operation was NICHOLAS LOCOCO. When asked where all the money goes, LOCOCO responded that it was going to "The House." This "House" refers to ANGELO LAPIETRA's home, as it is the biggest house in the neighborhood.

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In addition, a cousin of LOCOCO's, [redacted] [redacted] also takes bookmakers bets under \$50 at telephone [redacted] which was believed by the source to be [redacted] home phone. [redacted] is reportedly very nervous and is not trusted to do more than deliver parlay cards.

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(CG 182A-4238 Serial 1)

A review of Illinois Bell Telephone records revealed that non-published telephone number [redacted] is subscribed to he [redacted] Chicago, Illinois, supra.

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(CG 182A-4238 Serial 4)

ARREST RECORD

Chicago file 182A-4238 serial 6 indicates that LOCOCO was arrested on 5/22/79, by the Chicago Police Department and charged with gambling. On 8/30/79, he was charged with being the keeper of bets, transmitting by phone and keeper of a gambling place. He subsequently plead not guilty and was discharged by Judge [REDACTED]

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(CG 182A-4238 Serial 6)

It has been the experience of the writer upon reviewing arrest records, that on many, many occasions, defendants charged with gambling violations in Judge [REDACTED] courtroom have been discharged after pleading not guilty. On 5/15/91, [REDACTED] SQ. 7B, confirmed that in fact, Judge [REDACTED] modus operandi was to find defendants not guilty if they were represented by private counsel. [REDACTED] advised that [REDACTED]

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[REDACTED] - Gambling Court, was convicted on 1/20/87, on one count RICO and one count tax charge for false statements on his income tax, in the Operation Graylord investigation. [REDACTED] was sentenced to eight years imprisonment, five years probation and 750 hours of community service.

OBSERVATIONS/RECOMMENDATIONS

It should be noted that LOCOCO has fallen out of favor with the Chicago LCN due to the following:

1. His drug dealing
2. He is suspected of being an informant.

(CG 183B-2200 Serial 627)

Given LOCOCO's criminal background and his current poor standing in the Chicago LCN, it is recommended that consideration be given to assessing this subject for informant potential.

Additionally, investigators should keep in mind the above Graylord connection when interviewing and dealing with LCN figures, especially those gambling associates who may have appeared before Judge [REDACTED]. When making overtures with regard to potential informant development, the above may be of assistance to you, primarily if you suspect the subject may have given his private counsel money to kickback to [REDACTED]

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(CG 183B-2200 Serial 627) (Informant)

CG 92A-5297 Sub D9

OCIS printouts are provided for your assistance in this matter. You are reminded that OCIS printouts cannot be made a part of any file.

The above information may have been provided through interviews of subjects, informants and other investigative techniques. The information about associates, affiliations, and activities should not be used in an affidavit without first checking the listed source.

Memorandum



✓ To : SAC, CHICAGO (92A-5297 Sub D9)
(ATTN: Det. [redacted] 6A)

Date 9/24/91

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From : OCIA [redacted]

Subject: NICHOLAS M. LOCOCO

Remymemo dated 5/15/91, captioned as above.

Attached to this memo is a copy of an obituary for one JAMES V. LOCOCO, that appeared in the 09/24/91, edition of the Chicago Sun-Times on page 57.

OCIS was checked on 9/24/91, with regard to JAMES V. LOCOCO with negative results. However, I am submitting this to you for information since the deceased is listed as the father of one NICHOLAS LOCOCO.

I am requesting that you let me know what relationship, if any, the deceased had to captioned subject, so that the OCIS data base can be updated.

Above submitted for information.

2 - Chicago
(1 - 92-5169 Sub I) (OCIS)

HMM/hmm
(2)

OCIS	<input checked="" type="checkbox"/>
R	TLR
E	TLR
NE	TLR

92A-5297 Sub D9-5

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 24 1991	
FBI - CHICAGO	

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(Indicate page, name of newspaper, city and state.)

(Mount Clipping in Space Below)

Date: SEPTEMBER 24, 1991

Edition: CHICAGO SUN-TIMES, TUESDAY.

Title:

Character:

or

Classification:

Submitting Office: OCIS

Indexing:

LOCOCO

James V. Lococo, beloved husband of Florence (nee Peraven), fond father of Nicholas and James A. (Linda) Lococo, loving grandfather of William and Laura, dear brother of Mary (late Joseph) Villorlo, Alice (late Dominick) Sansone, Pearl (Tony) Cuso and the late Charles (Annie) Lococo. Funeral Thursday, 8:30 a.m. from the Westchester Funeral Home, (F. Casella-R. Bacigalupo, F.D.) 10501 W. Cermak Road (2 blocks W. of Mannheim) to Our Lady of Pompeii Church, Mass 10 a.m. Interment Mt. Carmel. Visitation Tuesday, 6 to 9 p.m. and Wednesday, 3 to 9 a.m. 708-562-5900

Date 7 JAN 92

☐ Birth ☐ Credit ☐ Criminal ☐ Death ☐ INS ☐ Marriage* ☒ Motor Vehicle ☐ Other ☐
☒ Driver's License

To _____ Buded _____

Return to NOIC BA File number 92A-5297 09

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Name and aliases of subject, applicant, or employee, and spouse

LoCoco, Nick M.

Addresses
Residence 220 W. 24th Pl

Business _____

Former _____

*Date and place of marriage (if applicable) _____

Race	Sex	Age	Height	Weight	Hair	Eyes
<u>W</u>	<input checked="" type="checkbox"/> Male <input type="checkbox"/> Female	<u>51</u>	<u>6-0</u>	<u>163</u>	<u>Brk</u>	<u>BRN</u>

Birth date 4/12/40 Birthplace _____

Arrest Number _____ Fingerprint classification _____ Criminal specialty _____

Specific information desired _____ Social Security Number _____

Results of check _____

OCIS ☒ ☐
R _____
E _____
HE TLR

92A-5297 09-6
SEARCHED _____ INDEXED _____
SERIALIZED 7 FILED 9
JAN 07 1992
FBI - CHICAGO
RM

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SOS 010992 0857

STA/VALID VAL/081591

NLI 0392 ORIG PLT
LOCOCO NICK

220 W 24TH PL CHICAGO 60616
L220-6334-0105
1G4AH19R8GT430836 86 BUICK 4 DOOR
STATUS UNAVAILABLE REF PLT/NLI EXP/0391
REC UPDATED 101791---PLTS TRANSFERRED

SOS 010992 0857

DL/IP STA/SUSPENDED
TDL/TIP-STA/SEE IL01NHELP
CDL/CIP STA/SUSPENDED

LO COCO NICK M
220 W 24TH PL CHICAGO 60616
SEX/M DOB/041240 HGT/6'00 WGT/173 HAI/BRO EYE/BRO
OLN/L220-6334-0105 OLC/B* OLT/ORIG EXP/04121995 ISS/04101991
RES-PID CLASS/NONE
1 STOPS IN EFFECT
NO CONV LAST 12 MO
SUSP 10201991 I 13A-112B
END

CHF 010992 0857

AIG NO REC LEADS NAM/LOCOCO,NICK M SEX/M
DOB/041240 DLN/L22063340105 VIN/1G4AH19R8GT430836

IL01 NCIC RESPONSE

ILFBICGS2

NO NCIC WANT OLN/ L22063340105
NO NCIC WANT DOB/041240 NAM/LOCOCO,NICK M SEX/M
NO NCIC WANT VIN/ 1G4AH19R8GT430836

Memorandum



To : SAC, CHICAGO (92A-5297 Sub D9)

Date 1/27/92

From : Det. [REDACTED] (SQUAD 6A)

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Subject: NICHOLAS M. LOCOCO

Background information on NICK LOCOCO has been updated, and Organized Crime Information Systems (OCIS) information has been summarized in a separate memo.

LOCOCO is the subject of a bank fraud case, (29B-10382), and it is anticipated that he will be indicted during the first quarter of 1992.

It is recommended that this subfile be administratively closed.

(Handwritten: RS4)

(2) - Chicago
(1 - 92A-5297)
RSM:bej
(2)

(Large handwritten oval containing: Close sub D9-4 2/4/92 1/31/92)

1*

92A-5297 Sub D9-7

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 31 1992	
FBI - CHICAGO	

(Handwritten: M-1)

DETECTIVE [REDACTED]
CHICAGO POLICE DEPARTMENT

August 02, 1995

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b7C

Detective [REDACTED]

Please find enclosed, a copy of the Airtel and Letterhead Memorandum that I prepared and forwarded to the Bureau, in reference to the arrest of one, NICK M. LOCOCO on June 24, 1995 at Midway Airport for attempting to board an aircraft with a .38 caliber Excam derringer.

I request that you incorporate this information into the database of your squad, so that it may be utilized in the future if the need should arise.

Thank-you for your assistance in this matter.

[REDACTED]
Special Agent

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Caption:
Midwest Protective Coatings, Inc.
Calumet Park, Ill.,
Customer:
Affiliated Bank
Morton Grove, Ill.;
BF & E; NBA
DO: C&

b3
b7c

29A-10382-1

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 27 1988	
FBI -- CHICAGO	

WRE
9/28/88
A

Bulky Exhibit - Inventory of Property Acquired as Evidence
FD-192 (Rev. 7-18-85)

Date

12/15/88

Title and Character of Case

NICK LA COCO, aka
MIDWEST PROTECTIVE COATING

b6
b7c

Date Property Acquired

12/15/88

Source From Which Property Acquired

Office of the United States Trustee,
175 West Jackson, Chicago, Illinois

Location of Property or Bulky Exhibit

North RA

Reason for Retention of Property and Efforts Made to Dispose of Same

Review

To Be Returned

☐ Yes ☒ No

See Serial

Agent Submitting Property or Exhibit

SA

Agent Assigned Case

SA

b6
b7c

☐ Yes ☒ No Grand Jury Property - Disseminate Only Pursuant to Rule 6(e), Federal Rules of Criminal Procedure.

☐ Yes ☒ No Property to be Forfeited to the Government

Description of Property or Exhibit

Copies of file regarding bankruptcy of MIDWEST
PROTECTIVE COATINGS, 88B10749.

For Valuable and/or Narcotics Evidence Only

Evidence Bag Seal # _____

Signature of Two
Special Agents
Verifying and Sealing
Bag Contents

SEMIANNUAL INVENTORY CERTIFICATION TO JUSTIFY RETENTION OF PROPERTY (Initial and Date)

Field File # 29A-10382

OO: CHICAGO

ORIGINAL (FILE COPY)

29A-10382-161
BLOCK STAMP

SEARCHED INDEXED
SERIALIZED *KN* FILED *KN*

DEC 20 1988

FBI - CHICAGO
WRC

CHAIN OF CUSTODY

[illegible]

Item No.

Remarks

Memorandum



To : SAC, CHICAGO (29A-10382)

Date 10/06/88

From : SA [redacted] (SQ13/NRA)

b6
b7C

Subject : ~~CHANGED~~
[redacted] - PRESIDENT;
NICK LOCOCO - Secretary; *AKA NICK LACOCO*
MIDWEST PROTECTIVE COATINGS, INC.,
CALUMET PARK, ILLINOIS - CUSTOMER;
AFFILIATED BANK/MORTON GROVE,
MORTON GROVE, ILLINOIS;
BF&E;
OO: CHICAGO

Title marked "Changed" to show addition of *NICK LACOCO AND*
NICK LOCOCO to title.

① - Chicago
PR:dakdak
[initials]



IS

1*

29A-10382 - 2

SEARCHED <i>[initials]</i>	INDEXED <i>[initials]</i>
SERIAL <i>[initials]</i>	FILED <i>[initials]</i>
OCT 12 1988	
FBI - CHICAGO	
<i>WRC</i>	

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U.S. Department of Justice

Federal Bureau of Investigation

In Reply, Please Refer to
File No. 29A-10382

219 South Dearborn Street
Chicago, Illinois 60604
October 14, 1988

Honorable [redacted]
United States Attorney
Department of Justice
Fifteenth Floor - South
Everett McKinley Dirksen Building
219 South Dearborn Street
Chicago, Illinois 60604

Attention: Assistant United States Attorney
[redacted]

b6
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RE: [redacted]
NICK LA COCO, aka
Nick the Stick;
dba MIDWEST PROTECTIVE
COATINGS, INC.;
BF&E

Dear [redacted]

Enclosed for the attention of Assistant United States
Attorney (AUSA) [redacted] are documents concerning Midwest
Protective Coatings (MPC) alleged fraud against Affiliated
Bank and Affiliated Asset Based Lending Services, MPC
Bankruptcy Petition and Bankruptcy docket.

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On October 12, 1988, Special Agent (SA) [redacted]
[redacted] logged the captioned matter in with your office. SA
[redacted] will be in contact with AUSA [redacted] regarding this
matter.

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b7C

Sincerely yours,

[redacted]
Special Agent in Charge

By: [redacted]
Supervisory Special Agent

29A-10382-3
SEARCHED _____
SERIALIZED Myj
INDEXED _____
"ED" Myj
29A-10382-

b6
b7C

2 - Addressee
1 - Chicago
RR: dak dak
(3)

WRE

FEDERAL BUREAU OF INVESTIGATION

1

Date of transcription 10/19/88

[redacted] AFFILIATED
ASSET-BASED LENDING SERVICES, INC. (AABLS), 8700 North Waukegan
Road, Morton Grove, Illinois 60053, telephone number [redacted]
[redacted] was contacted at his place of business. [redacted]
advised that the MORTON GROVE BANK, located in the same building
as his office, is one of five banks associated with the bank
holding company known as the AFFILIATED GROUP, INC. (AGI).
[redacted] advised that AABLS is a wholly-owned subsidiary of the
same holding company which controls the five banks.

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b7C

[redacted] NICK LA COCO, aka Nick Lo Coco, and [redacted]
[redacted] and who do business as MIDWEST PROTECTIVE COATINGS,
INCORPORATED (MPC), formerly of 12320 South Page Street, Calumet
Park, Illinois, formerly did business with the AFFILIATED
BANK/MORTON GROVE, 8700 Waukegan Road, Morton Grove, Illinois.
Members of the AGI holding company typically refer loans to AABLS
when problems arise. [redacted] the MORTON
GROVE BANK, telephone number 966-2900, extension [redacted] could best
explain why the MPC loans were referred to AABLS. [redacted]
advised that RODRIGUEZ dealt with the principals of MPC and that
another officer dealt with them previously.

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[redacted] indicated that numerous meetings were held
with [redacted] and NICK LA COCO regarding loans made by the
MORTON GROVE BANK and AABLS. A memo dated August 23, 1988, by
AABLS officer [redacted] provides information regarding MPC's
relationship with the MORTON GROVE BANK and AABLS.

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Investigation on 10/11/88 at Morton Grove, Illinois File # CG 29A-10382
by SA [redacted] /dak Date dictated 10/12/88

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CG 29A-10382

Continuation of FD-302 of [REDACTED]

10/11/88

2

, On

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[REDACTED] advised that MPC's auditor/accountant was [REDACTED] a white male, late 30's, early 40's, who lives in the south suburbs. [REDACTED] wife owns and runs a dental clinic/laboratory which is located in [REDACTED] was formerly located at [REDACTED] Chicago Heights, Illinois. On or previous to June 14, 1988, [REDACTED] came to AABLS and talked briefly with [REDACTED] indicated that [REDACTED] appeared to be angry and said that MPC had submitted fake invoices to AABLS. [REDACTED] indicated that false invoices were submitted regarding RAIL CARTAGE (4335 South Western, Chicago, Illinois), UPTOWN AUTO (4077 North Broadway, Chicago, Illinois), and ANDRICH ENTERPRISES (1121 West 18th Street, Chicago, Illinois). [REDACTED] stated that [REDACTED] spoke to him in the hallway and then left after telling him the above information.

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By way of background, [REDACTED] advised that [REDACTED] who was with AABLS on April 29, 1988, but who is now with one of the holding company's banks, namely the NORTH SHORE BANK, Howard and Paulina, Chicago, Illinois, telephone number 338-7600, extension [REDACTED] attempted to verify some of the accounts receivables that MPC was pledging for the loan they received from AABLS. [REDACTED] made some notes on the backs of invoices indicating that he had made telephone calls and had verified monies owed to MPC.

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[REDACTED] believes that it may have been [REDACTED] who on or after June 14, 1988, contacted UPTOWN, RAIL CARTAGE and ANDRICH and determined that they in fact did not owe money to MPC. Follow-up attempts at verification were done by both phone call and letters.

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After AABLS attempted to verify accounts receivables, [REDACTED] telephonically contacted [REDACTED] to arrange a meeting. She was very angry on the phone that AABLS was contacting their business contacts. A meeting was arranged and attended by [REDACTED] LA COCO, MPC Attorney [REDACTED] telephone number [REDACTED] complained that AABLS was running down MPC's business by calling all their customers. [REDACTED] recalls holding these invoices in his hands and asking [REDACTED] if they were false. [REDACTED] stated that they were not. [REDACTED] stated that NICK LA COCO also indicated to him that there was nothing wrong with the invoices. [REDACTED] advised

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CG 29A-10382

Continuation of FD-302 of [REDACTED]

10/11/88

3

, On [REDACTED], Page [REDACTED] b6
b7C

that LA COCO stated words to him during these meeting,
". . . you're an asshole."

[REDACTED] indicated that at the [REDACTED] 1988 meeting at AABLS, [REDACTED] NICK LA COCO, Attorney [REDACTED] were in attendance. [REDACTED] stated that they clearly discussed that the invoices listed on schedule 1 were monies owed to MPC by their various customers. [REDACTED] indicated that the MORTON GROVE BANK was having problems with the MPC account due to overdrafts, checks bouncing and not getting new invoices reflective of MPC's most recent work.

[REDACTED] advised that in late July or early August of 1988, AABLS' [REDACTED] Chicago, Illinois, telephone number [REDACTED] deposed [REDACTED] and LA COCO. [REDACTED] stated that he does not know if these depositions were actually typed.

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[REDACTED] advised that an attorney from BURKE AND SMITH subsequently deposed him.

[REDACTED] advised that during the deposition, LA COCO indicated that he knew people at UPTOWN AUTO, RAIL CARTAGE and ANDRICH ENTERPRISES. [REDACTED] advised that [REDACTED] during her deposition, stated that she picked up some checks representing monies owed MPC and negotiated them. [REDACTED] recalls that [REDACTED] indicated that she negotiated one check through her husband's meat company. One of the checks negotiated by [REDACTED] involved an approximately \$13,000.00 check from STAUFFER CHEMICAL, Hammond, Indiana.

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[REDACTED] stated that [REDACTED] was formerly a field auditor and is now employed as a field auditor by the LAKE SHORE BANK. He believes that she viewed or had possession of a letter from [REDACTED] to MPC indicating that they should only give so much information to the MORTON GROVE BANK. [REDACTED] stated that he would see if a copy of this letter is in his file and believes that the letter dated from one or two years ago.

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[REDACTED] advised that AABLS check 24881, made out to DELPHI CORPORATION, in the amount of \$1,067.00, went to DELPHI

CG 29A-10382

Continuation of FD-302 of [redacted], On 10/11/88, Page 4

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CAPITAL CORPORATION located on Racine in Chicago. This was to pay off a debt owed by MPC to DELPHI CORPORATION. [redacted] indicated that they did not want to have a problem with stock, inventory, etc. being encumbered by other loans.

[redacted] advised that AABLS check 24882, made out to the County Clerk of Cook County, in the amount of \$4,892.01, pertained to, he believes, the home of the parents of [redacted]. [redacted] indicated that [redacted] could better explain that situation.

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[redacted] advised that AABLS check 24884, in the amount of \$34,226.54, and made out to MIDWEST PROTECTIVE COATINGS, INCORPORATED, was negotiated by that company.

[redacted] advised that AABLS check 24880, in the amount of \$57,442.80, and check number 24885, in the amount of \$55,000.00, were both paid to AFFILIATED BANK/MORTON GROVE to cover MPC's indebtedness to that bank.

[redacted] stated that the last financial statement he sees regarding MPC, in his file, is dated September 30, 1986. [redacted] advised that the appraised value of the equipment at MPC previously was \$11,835.00. The fair market value at auction was judged to be \$6,105.00. [redacted] advised that this equipment was removed from MPC's premises before AABLS could take possession of it.

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[redacted] provided copies of MPC's invoices pertaining to UPTOWN AUTO, ANDRICH ENTERPRISES and RAIL CARTAGE.

FEDERAL BUREAU OF INVESTIGATION

1

11/01/88

Date of transcription

[redacted] was telephonically contacted at his place of business.

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[redacted] advised that in November of 1985 he bought [redacted] CPA practice. One of his clients was [redacted] MIDWEST PROTECTIVE COATINGS, INCORPORATED (MPC). He advised that he helped to computerize some of their records and made a non-audited compilation of records supplied by MPC. [redacted] advised that he also did an analysis of the accounts receivables.

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[redacted] recalls that the MORTON GROVE BANK wanted a statement regarding the accounts receivables showing a 90 day aging. [redacted] would not supply him with the information necessary to do this and he [redacted] advised the MORTON GROVE BANK of this. [redacted] stated that he recalls dealing with MORTON GROVE Bank Officer [redacted]

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[redacted] advised that after that there was no contact with [redacted] MPC. [redacted] advised that at the end of their business relationship, he was owed \$1,000.00 by MPC.

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[redacted] stated that [redacted] home phone number is, or used to be, [redacted] stated that [redacted] entered some phase of real estate after selling his business.

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Investigation on 10/25/88 at Arlington Heights, IL File # CG 29A-10382 -5
by SA [redacted] /dak Date dictated 10/25/88

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FEDERAL BUREAU OF INVESTIGATION

1

Date of transcription 11/01/88

[redacted] THE MORTON GROVE BANK (MGB), 8700 North Waukegan Road, Morton Grove, Illinois 60053, was contacted at his office. He advised that MIDWEST PROTECTIVE COATINGS, INCORPORATED (MPC) started their banking relationship with MGB in approximately 1982. The principals of the firm at that time were [redacted] At that time the firm was located at 8428 West 44th Place, Lyons, Illinois. [redacted] believes that [redacted] left the firm in 1982 or 1983.

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[redacted] stated that when [redacted] became involved with MPC, the bank took a lien on a 3-flat located on Halsted and owned by her parents. The bank also put a lien on the home of [redacted] who was a salesman for MPC in 1984-1985. The bank also had a lien on the firm's inventory and machinery.

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[redacted] stated that in 1986 the firm experienced cash flow problems. MPC, through their accountant, [redacted] indicated that they had approximately \$125,000.00 worth of accounts receivables. Upon further review of the documentation, the bank learned that approximately \$80,000.00 to \$90,000.00 attributed to accounts receivables were actually work orders.

[redacted] stated that the bank file shows that in [redacted] of 1987, former MGB [redacted] held a meeting at the bank with [redacted] and NICK LA COCO. Also present was MPC's [redacted] (and/or [redacted] whose offices are down on the south side of Chicago. The issues discussed were better financial record keeping by MPC and the need for MPC to submit a new financial statement to the bank.

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[redacted] recalls that soon after this meeting [redacted] bills were not being paid and, according to MPC, firm would not turn over work papers to MPC.

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Attorney [redacted] stated that MPC next used the services of

Investigation on 10/20/88 at Morton Grove, Illinois File # CG 29A-10382-6
by SA [redacted] /dak Date dictated 10/25/88

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CG 29A-10382

Continuation of FD-302 of [REDACTED]

10/20/88

2

, On [REDACTED], Page [REDACTED]

b6
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[REDACTED] believes that it was in late 1987 and early 1988 that [REDACTED] left MPC and NICK LA COCO joined MPC. [REDACTED] stated that an approximately \$110,000.00 loan was secured by [REDACTED] to pay off their share of MPC's debt to the MORTON GROVE BANK. Approximately \$21,000.00 went towards paying off the first mortgage on the [REDACTED] home located at [REDACTED] Illinois, telephone number [REDACTED]. The loan was secured by this residence. [REDACTED] stated that approximately \$270,000.00 was owed by MPC and [REDACTED] was responsible for approximately 1/3 of it. [REDACTED] stated that the mortgage went on the bank's records in March of 1988.

NICK LA COCO indicated to the bank that he had money to put in to the firm and wanted some time to see how the company was operating.

[REDACTED] stated that around June of 1987 NICK LA COCO brought in a \$10,000.00 check to pay on their loan balance, but that the bank instead used it for an overdraft in an MPC account.

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[REDACTED] stated that in approximately May or June of 1987, MPC opened an account at the COUNTY BANK in Blue Island. [REDACTED] stated that in early 1988, when LA COCO got involved in MPC, MPC opened another account at the LAKESIDE BANK.

[REDACTED] indicated that MORTON GROVE [REDACTED] [REDACTED] started dealing with MPC in late 1987.

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[REDACTED] stated that bank records reflect that [REDACTED] was born in 1952.

[REDACTED] indicated that AFFILIATED ASSET-BASED LENDING SERVICES, INCORPORATED [REDACTED] heard that MPC was operating somewhere in northwest Indiana.

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[REDACTED] stated that [REDACTED] husband, [REDACTED] does [REDACTED] Illinois, and has a banking relationship with the MORTON GROVE BANK. [REDACTED] is a wholesale meat distributor.

FEDERAL BUREAU OF INVESTIGATION

1

Date of transcription 11/07/88

[redacted] white male, born [redacted] 1954, and who resides at [redacted] Chicago Heights, Illinois, telephone number [redacted] was interviewed at the Arlington Heights Resident Agency. He advised that he is a CPA by training but is not practicing at the current time. He is involved in real estate development under the company names of [redacted] work phone numbers are [redacted] and car phone [redacted]. He advised that they are currently working at the [redacted] work site in South Arlington Heights and do not have a fixed office location.

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[redacted] was involved in his CPA practice from approximately October of 1982 to October of 1985 when he sold [redacted] Certified Public Accountant, to [redacted] CPA. Two of his accounts that went with the business to the new owner were [redacted] MIDWEST PROTECTIVE COATING (MPC) and [redacted] Chicago Heights, Illinois.

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[redacted] advised that in February of 1988, he got a telephone call from [redacted] who indicated that her company was in trouble. She advised him that the MORTON GROVE BANK was trying to call her loans in, that she was behind in her bookkeeping and that her taxes needed work. He advised that he also met with NICK LA COCO, who was supposedly investing in MPC, at most of the times that he met with [redacted] commented that he has summaries of his time and that he performed approximately 160 hours of work for MPC and billed MPC approximately \$16,000.00.

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[redacted] advised that [redacted] of the MORTON GROVE BANK referred [redacted] to the AFFILIATED ASSET-BASED LENDING SERVICES, INCORPORATED (AABLS) which is part of the same corporation as the MORTON GROVE BANK. AABLS [redacted] met with [redacted] NICK LA COCO [redacted] in an effort to restructure the outstanding loans that MPC had at the MORTON GROVE BANK. Part of MPC's problem was supposedly the 90 days or so between billing a job and actually getting payment for it. AABLS would have MPC's accounts receivables assigned to

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Investigation on 10/28/88 at Arlington Heights, IL File # CG 29A-10382
by SA [redacted] /dak Date dictated 10/31/88

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CG 29A-10382

Continuation of FD-302 of [REDACTED]

, On 10/28/88 , Page 2

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it and would confirm these receivables before making a loan. AABLS would keep approximately 60% of the payment amount to pay off outstanding balances and provide the remainder to MPC. AABLS would loan an amount to MPC up to \$100,000.00.

[REDACTED] advised that his "summaries of time" would show the dates, time and place of various meetings he was involved in with MPC and AABLS, and would show a description of the service he provided. He advised that he has maintained this summary at his office located in his residence.

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[REDACTED] advised that based upon the financial information presented to him by [REDACTED] and LA COCO, he prepared trial balances and other compilations. He advised that though he did a financial statement, it was not audited. He advised that the MORTON GROVE BANK took a certain degree of comfort in that this financial statement was prepared by a CPA.

[REDACTED] advised that he recalls approximately \$49,000.00 being billed on invoice to RAIL DISPATCH. He advised that since the loan by AABLS was not funded within 30 days, he had to "roll forward" this amount and take it off his schedules per instructions from [REDACTED] and LA COCO. [REDACTED] and LA COCO provided other invoices reflecting billings to a company called RAIL CARTAGE for approximately \$11,000.00 and \$13,000.00. [REDACTED] believes that RAIL CARTAGE and RAIL DISPATCH were part of the same corporation.

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[REDACTED] advised that [REDACTED] was at his Chicago Heights office supposedly on the phone with her office. She had blank invoices with her and supposedly was getting information from her office regarding work being done for RAIL CARTAGE. He advised that she filled out these invoices and provided them to him so that he could prepare financial information for AABLS and the MORTON GROVE BANK.

[REDACTED] advised that when he asked [REDACTED] where the payment was going regarding these supposedly paid invoices, he was put off by [REDACTED]

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[REDACTED] stated that in talking with NICK LA COCO, he became aware that he (LA COCO) worked for the Chicago Department of Streets and Sanitation. [REDACTED] speculated that LA COCO made approximately \$40,000.00 to \$50,000.00 a year and almost never had to show up at work. LA COCO would sometimes brag about what an easy job he had. [REDACTED] stated that LA COCO had contacts at

CG 29A-10382

Continuation of FD-302 of [REDACTED]

On 10/28/88, Page 3

b6
b7C

RAIL CARTAGE, RAIL DISPATCH and UPTOWN AUTO as these companies did work with the City of Chicago.

[REDACTED] advised that he was at a meeting at AABLS before the April 29, 1988 closing on the loan from AABLS to MPC. [REDACTED] indicated that he was having a problem verifying some of the accounts receivables. NICK LA COCO stated that there should be no problem regarding these invoices and commented that he was paid \$50,000.00 just last week by one of the companies in questions. LA COCO told [REDACTED] that he should call the man right now to verify it.

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[REDACTED] stated that when he asked [REDACTED] and NICK LA COCO where the incoming money was as the bank was going to confirm the accounts receivables, LA COCO commented to the effect that he could "cover it" and that he knew the people involved at RAIL CARTAGE and UPTOWN AUTO.

[REDACTED] stated that he was owed \$4,000.00 by MPC and that they gave him two checks for approximately \$2,100.00 each. He advised that this was around the Memorial Day weekend, 1988. Both of these checks bounced. They were drawn on the LAKESIDE BANK which is located by [REDACTED] on the near south side. He advised that when he attempted to call MPC, [REDACTED] would not accept his phone calls. He advised that he spoke with [REDACTED] who is [REDACTED] brother-in-law, but he was more a shop man and was not aware of MPC's finances.

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[REDACTED] stated that in July of 1988, he met with NICK LA COCO at the MORTON GROVE BANK and was provided with \$2,100.00 cash to pay his fees.

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[REDACTED] stated that it was during the summer of 1988 that he told NICK LA COCO that he may have to go to [REDACTED] and talk to him about the accounts receivables submitted to the bank and AABLS by MPC. [REDACTED] stated at one meeting with LA COCO, LA COCO said words to the effect to him . . . do what you've got to do. [REDACTED] stated that at another meeting with LA COCO, LA COCO strongly advised him not to go to [REDACTED] or AABLS. LA COCO stated words to the effect that things could . . . get ugly. [REDACTED] stated that he subsequently went to [REDACTED] and advised him that he had some questions regarding the invoices made out by MPC to RAIL CARTAGE, RAIL DISPATCH and UPTOWN AUTO.

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[REDACTED] stated that before and at the closing, [REDACTED] gave a detailed explanation to [REDACTED] and NICK

CG 29A-10382

Continuation of FD-302 of [REDACTED]

On 10/28/88, Page 4

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LA COCO regarding the agreement they were entering into with AABLS on behalf of MPC.

[REDACTED] advised through conversation with [REDACTED] he became aware that MPC had not filed IRS returns in two or three years. MPC would withhold income tax and social security from their employee's paychecks. They would subsequently make up or cause [REDACTED] to make up IRS forms 1099 showing the employees to be independent contractors. He does not believe that MPC forwarded withholding taxes and social security payments to the appropriate agencies.

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[REDACTED] advised that his attorney regarding this matter is [REDACTED] phone number [REDACTED] and who is located in Schaumburg, Illinois. [REDACTED] stated that his attorney, in August of 1988, turned over two boxes of MPC's records to either the United States Attorney's Office or the Bankruptcy Trustee.

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[REDACTED] advised that before he stopped talking with LA COCO, LA COCO talked about opening an MPC job site in Hammond or Gary, Indiana. LA COCO was attempting to get financing from the FIRST NATIONAL BANK OF GARY at either the Merrillville or Schererville branches so as to buy a facility to house MPC. [REDACTED] does not know the outcome of these efforts.

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[REDACTED] advised that on a number of occasions NICK LA COCO brought documentation from MPC to him at his office in Chicago Heights.

[REDACTED] advised that [REDACTED] is married to [REDACTED] sister.

[REDACTED] advised that [REDACTED] is a heavy gambler and had approximately \$32,000.00 in W-2 statements from various race tracks that she bet at. [REDACTED] believes that [REDACTED] and NICK LA COCO are/were romantically involved.

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FEDERAL BUREAU OF INVESTIGATION

1

Date of transcription _____

-- 11/01/88

[redacted] Commercial Lending Department, THE MORTON GROVE BANK (MGB), 8700 North Waukegan Road, Morton Grove, Illinois 60053, was contacted at his place of business. [redacted] stated that he first became involved in dealing with MIDWEST PROTECTIVE COATINGS, INCORPORATED (MPC) in approximately December of 1987 or January of 1988. His first involvement was due to overdrafts in MPC's checking account.

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[redacted] stated that phone calls to [redacted] at MPC resulted in messages he left not being responded to. On one occasion when he called MPC he spoke to [redacted] and expressed his concern over MPC's credit. [redacted] indicated to [redacted] that he thought things were going well, financially; for the firm and indicated that he did not know about the problem at MGB.

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[redacted] stated that his first meeting with MPC Accountant [redacted] occurred in approximately March or April of 1988. When [redacted] alluded to his conversation with [redacted] [redacted] advised [redacted] that [redacted] did not know exactly what was going on in the firm, were not contributing, and wanted to sell out their interest in MPC.

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[redacted] advised [redacted] and LA COCO that perhaps he could refer their loan situation to the bank's sister company, AFFILIATED ASSET-BASED LENDING SERVICES, INCORPORATED (AABLS) to do accounts receivable financing.

[redacted] arranged a meeting with [redacted] NICK LA COCO, [redacted] [redacted] stated that on April 22, 1988, he sent letters to the principals of MPC outlining the agreement that was to be made between AABLS, MGB and MPC.

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The agreement agreed to on April 29, 1988, called for the bank to secure the loan through the 3-flat owned by [redacted] parents located at [redacted] Chicago. [redacted] did not think that NICK LA COCO was an officer of MPC at the time that the April 29 agreement was executed.

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Investigation on _____ at _____ File # _____

10/20/88

Morton Grove, Illinois

CG 29A-10382-7

by _____

Date dictated _____

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

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10/25/88

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FBI/DOJ

CG 29A-10382

Continuation of FD-302 of [REDACTED]

10/20/88

2

, On [REDACTED], Page [REDACTED]

[REDACTED] stated that he recalls getting a phone call from [REDACTED] after the April 29, 1988 agreement, wherein [REDACTED] indicated that she was not aware of the bank fees involved and that she needed additional cash for those fees and for taxes.

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[REDACTED] stated that within a few weeks of the closing on April 29, 1988, he received a telephone call from [REDACTED] Riverdale and Lake Zurich, Illinois, concerning MPC. [REDACTED] stated that MPC had submitted fraudulent receivables to the bank regarding three of the companies that they supposedly did work for. [REDACTED] stated that the names of these companies are in his notes, but that he does not have that particular memo in front of him. [REDACTED] indicated that he was owed money by MIDWEST PROTECTIVE COATINGS. [REDACTED] blamed [REDACTED] for the problems and the situation involving MPC.

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When [REDACTED] spoke to [REDACTED] she indicated that she would get the money to pay back to the bank. [REDACTED] indicated that she was not in the process of getting a divorce from her husband, but [REDACTED] believes that her husband stated that they were in the process of getting a divorce. [REDACTED] indicated to [REDACTED] that he should not believe what [REDACTED] says as he [REDACTED] is addicted to cocaine. [REDACTED] believes that [REDACTED] is now involved in real estate transactions on the south side or in the south suburbs.

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[REDACTED] stated that he had brief contact with [REDACTED] subsequent to the phone call just mentioned, as [REDACTED] was looking for financing to open a south side dentist office for his wife.

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[REDACTED] after looking at documents, stated that NICK LA COCO signed as secretary for MPC on April 22, 1988, to reinstate the corporation's name.

[REDACTED] stated that he believes it was around April or May of 1988 that NICK LA COCO advised that MPC was buying a building in Gary or Hammond, Indiana, which was to be that company's new location. LA COCO indicated that he was getting a mortgage through a savings and loan.

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[REDACTED] was asked to supply the FBI with copies of the letters dated April 22, 1988, which spell out the agreement reached between MPC, MGB and AABLS.

FBI

TRANSMIT VIA:

☐ Teletype☐ Facsimile☒ Airtel

PRECEDENCE:

☐ Immediate☐ Priority☐ Routine

CLASSIFICATION:

☐ TOP SECRET☐ SECRET☐ CONFIDENTIAL☐ UNCLAS E F T O☐ UNCLAS

Date 12/27/88

TO: SAC, INDIANAPOLIS

FROM: SAC, CHICAGO (29A-10382) (SQ13/NRA)

[REDACTED]

NICK LOCOCO - SECRETARY, aka
 Nick LaCoco;
 MIDWEST PROTECTIVE COATINGS, INC.,
 CALUMET PARK, ILLINOIS - CUSTOMER;
 AFFILIATED BANK MORTON GROVE,
 MORTON GROVE, ILLINOIS;
 BF&E;
 OO: CHICAGO

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Enclosed for Indianapolis are two copies of MIDWEST PROTECTIVE COATINGS invoice 1233. Attached to Chicago copies are copies of MIDWEST PROTECTIVE COATINGS (MPC) invoices needed for lead coverage.

On April 29, 1988, [REDACTED] white female, approximately 40 years old, and NICK LACOCO, white male, born April 12, 1940, dba MIDWEST PROTECTIVE COATINGS, INC., 12320 South Page Street, Calumet Park, Illinois 60043, were indebted to the AFFILIATED BANK/MORTON GROVE (ABMG) in the amount of \$112,442.80 of which \$57,442.80 was on loans advanced to MIDWEST on accounts receivable as collateral and \$55,000.00 which had been advanced to MIDWEST on an existing term loan secured by other collateral as well as accounts receivable. AFFILIATED ASSET-BASED LENDING SERVICES, INC. (AABLS) with offices at 8700 North Waukegan Road, Morton Grove, Illinois (the same building in which the bank is

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2 - Indianapolis (Enc. 2)

① - Chicago

JPR:dak

(8)

HOMEWOOD
 ORLAND PARK
 &
 RIVERDALE

Handwritten: 1/10/89
Signature: [Signature]
Initials: SRA

Approved: WLB

Transmitted

Per

(Number) 29 (Time) 10382-8

SEARCHED

SERIALIZED

INDEXED

FILED

*U.S. GPO: 1967 - 181-486

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b7C

Handwritten: @ [REDACTED]
 NRA

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[REDACTED]

Handwritten: [Signature]

located) is a wholly owned subsidiary of the same holding company which controls the bank. AABLS is the designated asset-based lending division of the AFFILIATED BANC GROUP which consists of five banks in the immediate area. In such capacity, AABLS entered into Agency Agreements with each of these banks including the ABMG whereby AABLS has agreed to act as agent for ABMG in connection with loans to be handled by AABLS at the request of the bank.

Immediately prior to April 29, 1988, the ABMG requested that AABLS take over the MPC account. Accordingly, on April 29, 1988, AABLS entered into a Security Agreement with MPC which provided that AABLS would advance an amount equal to sixty percent (60%) of the face value of eligible accounts receivable assigned to AABLS by MPC from time to time up to but not in excess of \$100,000.00. It is noted that on the Security Agreement it is provided that the invoices assigned to AABLS from time to time would be handled on a notification basis whereby a legend would be placed on the face of said invoices to the effect that the invoices were payable to AABLS care of a post office box in Morton Grove, Illinois. Further, that no advances would be made on the pledge of the receivables until AABLS had the opportunity to verify the authenticity of the invoices pledged through direct contract with the account debtors and that only invoices which represent billings for jobs performed by debtor which have been fully completed shall be considered as eligible for loans. In that connection, MPC executed and delivered to AABLS a letter on their stationery dated April 29, 1988, informing its customers that these invoices had been assigned to, were owned by and payable only to AABLS. All of the invoices assigned to AABLS by MPC on and after April 29, 1988, were mailed directly to the account debtors with a legend on their face that they were payable to AABLS and each invoice was accompanied by a copy of the letter signed by [redacted] of MPC.

On April 29, 1988, MPC executed and delivered to AABLS a Schedule of Assigned Accounts in the amount of \$165,507.59, the schedule having been executed by [redacted] of MPC.

Subsequent to April 29, 1988, MPC executed and delivered to AABLS four additional Schedules of Assigned Accounts which totaled \$26,973.75 against which AABLS advances \$15,507.70 to MPC. All of the five Schedules of

Assigned Accounts executed and delivered by MPC to AABLS were accompanied by invoices which in turn were mailed to the account debtors by AABLS with a copy of the notification letter referred to earlier in this memo so that the account debtors were directed to pay said invoices to AABLS at their offices in Morton Grove, Illinois. In addition, prior to disbursing any funds to MPC and pursuant to the special provisions of the Security Agreement, AABLS attempted to verify the validity of the invoices so assigned.

False representations were made by representatives of ANDRICH ENTERPRISES, 1121 West 18th Street, Chicago [redacted] UPTOWN AUTO SUPPLY, 4077 North Broadway, and RAIL CARTAGE, 4335 South Western, Chicago, regarding work supposedly done for them by MPC. NICK LACOCO supposedly is acquainted with these companies, due in part to his job as a supervisor with the Department of Streets and Sanitation. LACOCO is involved in bookmaking/juice loans and is associated with JIMMY LAPIETRA's "26th Street Crew."

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Representatives of MPC [redacted] or LACOCO probably) personally contacted some of their customers and arranged to pick up payments rather than have them mailed to AABLS per MPC's Security Agreement. (see copies of invoices and leads) which, when proven, should be additional counts when indicted.

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LACOCO was shot in the head approximately two years ago by a Streets and Sanitation worker from whom he was attempting to recover a juice loan payment. No court action resulted from this situation.

[redacted] is supposedly [redacted] brother-in-law and was the shop foreman and ran the jobs that MPC secured. Shares in MPC are held by [redacted] and [redacted] while LACOCO is shown as MPC's secretary.

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Chicago file 183-2197 Sub L - P189 (assigned to [redacted] reflects that [redacted] white male, born [redacted] 1952, was recently arrested by Cook County authorities on a drug trafficking charge. It is believed that [redacted] is married to [redacted] sister and that he resides at [redacted] parents 3-flat which is located at [redacted] Chicago, Illinois (2nd floor, right).

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Contact with ABMG indicates that [redacted]

[redacted] Illinois, [redacted] were formerly involved with MPC as office worker/manager and salesman respectively. [redacted] had previously allowed his house to be used for financing MPC. In approximately March of 1988, [redacted] mortgaged his house at ABMG for approximately \$90,000.00 so as to pay one-third (1/3) of MPC's debt and have the lien on his house released regarding MPC's indebtedness.

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On July 14, 1988, MPC filed a voluntary bankruptcy petition (Chapter 11) under the Bankruptcy Code under Case Number 88B10749. This matter is still pending.

They are now supposedly operating MPC at 3851 Ellsworth, Gary, Indiana.

It is believed that [redacted] and LACOCO are/were romantically involved. [redacted] is heavily involved in horse race betting.

When counsel for AABLS attempted to get further information regarding MPC bankruptcy, MPC's counsel, [redacted] (Indices negative) of BURKE AND SMITH submitted a status report of accounts receivable.

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[redacted] indicated which accounts receivable were fraudulent (three companies mentioned above) and which companies MPC contacted to receive direct payment from rather than have them sent to AABLS.

Records of ABMG and AABLS are generally incomplete as to who exactly they spoke to, at the various companies, regarding fraudulent and misdirected accounts receivables.

Chicago Indices reflect the following for UPTOWN AUTO:

92-344-2452, June, 1976, car listed to [redacted]
[redacted] UPTOWN AUTO SUPPLY, observed by residence of [redacted]

92-4217-12, January, 1975 (UPTOWN AUTO, [redacted]
[redacted] California). File not found.

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LEADS

INDIANAPOLIS DIVISION

HAMMOND, INDIANA

After review of enclosed MPC invoice 1233, will contact [] and/or appropriate company representative at STAUFFER CHEMICAL CO. (SCC), 2000 Michigan Street, and get details of contacts by MPC representatives substituting an invoice and directing payment to MPC directly. Will determine if SCC personnel can identify MPC representative who picked up the check for \$13,570.00. Will obtain copy of MPC invoice number 1237, the check for \$13,570.00 and other pertinent paperwork.

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CHICAGO DIVISION

AT CHICAGO, ILLINOIS

Will contact [] of ANDRICH ENTERPRISES, 1121 West 18th Street, Chicago, Illinois, and determine what conversations he may have had with [] or LACOCO regarding MPC submitting fraudulent invoices to ABMG. Will attempt to determine if LACOCO requested him to certify regarding MPC invoices 1211 and 1213.

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Will contact the appropriate representative of UPTOWN AUTO, 4077 North Broadway and attempt to determine who [] or LACOCO requested cooperation from regarding fraudulent MPC invoices submitted to ABMG/AABLS.

Will contact appropriate representative of RAIL CARTAGE COMPANY, 4335 South Western, in an effort to determine what RAIL CARTAGE representative was contacted by LACOCO to verify the fraudulent MPC accounts receivables. Will conduct appropriate investigation.

Will contact [] or appropriate representative of BULKMATIC, 12000 South Doty Avenue, after reviewing MPC invoice 1202, and determine circumstances of MPC securing payment of \$430.00.

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AT HOMEWOOD, ILLINOIS

After review of MPC invoice number 1212, will contact [] (phonetic) or other appropriate

CG 29A-10382

official at MAE CORPORATION, INCORPORATED, 17450 South Halsted, and determine circumstances and identity of MPC representative who secured direct payment of MPC invoices. Will secure copies of appropriate documentation.

AT ORLAND PARK, ILLINOIS

Will locate and interview [redacted]
[redacted] telephone number [redacted] for
additional information regarding LACOCO's and [redacted]
operation of MPC.

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AT RIVERDALE, ILLINOIS

Will contact [redacted] Comptroller, or
appropriate official of STANDARD BOILER, 1000 West 142nd
Street, and determine circumstances of MPC securing payment
for MPC invoice 1206.

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AT SCHILLER PARK

Will review invoice 1214 and thereafter contact
[redacted] of K. A. STEEL, 4333 Transworld Road, and
determine circumstances of MPC's collection of payment for
their invoices 1214, 1231, 1232, and 1234.

Midwest Protective Coatings

12320 South Page @ Calumet Park, IL 60643
Area Code 312 / 597-8770

SOLD TO: Mae Corp, Inc. 17450 South Halsted Homewood, Illinois 60439 SHIP TO: same	DATE ENTERED March 18, 1988	INVOICE NO. 1212
	PRODUCTION NO. 68518	INVOICE DATE March 31, 1988
	SHIPPED VIA — DATE	CUSTOMER P. O. 25243
	TERMS: Net 10 days	

QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL AMOUNT
2	6' dia. x 8' vertical tanks dished ends. 1 - 12" x 16" manway flange fittings 2 1/2' dia. internal piping Grit blast all interior surfaces to SSPC-SP 5 finish. Prime and finish multiple coats of 9520 HAR low bake epoxy 12.0 to 15.0 mils dft. Bake off at 250° F. Tinker razor test for pin holes. <i>These funds were collected by Midwest & never turned over to Affiliates</i>	\$1,490.00	\$2,980.00

IMPORTANT: WE ASSUME NO RESPONSIBILITY FOR DAMAGE TO MATERIALS DURING TRANSIT. IF DAMAGED, FILE CLAIM WITH CARRIER. MATERIAL RETURNED WITHOUT OUR APPROVAL WILL NOT BE ACCEPTED.
THE GOODS OR SERVICES HEREIN HAVE BEEN PRODUCED OR PERFORMED IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE AGREEMENT.

OK CJN
4/28

5/7

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[redacted] in A/P verified this invoice & said it was pd. 5/7 & is not open. She also said another Midwest invoice was paid on 6/7 -- #2002 for \$2980 on 5/11 *
Copies of cancelled cks. have been requested via letter from Gahne Audit Co.

#2002
5/11
\$2980
6/7

CJN 6/14/88

* We do not have this invoice.

West Protective Coatings

12320 South Page • Calumet Park, IL 60843

Area Code 312 / 597-6770

SOLD TO: K.A. Steel 4333 Transworld Road Schiller Park, Illinois 60176 SHIP TO:	DATE ENTERED 3/29/88	INVOICE NO. 1214
	PRODUCTION NO. 68522	INVOICE DATE April 12, 1988
	SHIPPED VIA — DATE K.A. Steel	CUSTOMER P. O. verbal:
	TERMS: Net 10 days	

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QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL AMOUNT
1	Acid hauler #75		\$460.00
	Spark test		
<i>This was collected by McDevitt & was not turned over to Affiliates</i>			

IMPORTANT: WE ASSUME NO RESPONSIBILITY FOR DAMAGE TO MATERIALS DURING TRANSIT. IF DAMAGED, FILE CLAIM WITH CARRIER. MATERIAL RETURNED WITHOUT OUR APPROVAL WILL NOT BE ACCEPTED.

THE GOODS OR SERVICES HEREIN HAVE BEEN PRODUCED OR PERFORMED IN ACCORDANCE WITH SECTION 12(A) AND 15(A) OF THE FAIR LABOR STANDARD ACT OF 1938 AMENDED.

OK CJW
4/27

[] in A/P claims that a ck. was cut directly to Midwest Protective for this invoice + that the invoice is not open. She also noted that invoices 1231* + 1232* for \$570 + \$660 were pd. directly to Midwest; AABL does not have copies of these invoices.

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[] is sending AABL copies of the cancelled cks. for invoices 1214, 1231, 1232, + 1234. In addition, [] commented that "a man" @ Midwest Protective told her on the phone to send all her pymts. on invoices directly to the co., not to the AABL lockbox. He claimed that she must have Midwest confused w/ one of K.A. Steel's other payables accounts, but that Midwest was not on a lockbox.

CJW 6/14/88

* We do have coll'n. report for these 2 invoices.

Memorandum



To : SAC, CHICAGO (29A-10382)(P)

Date 01/30/89

From : SA [redacted] (SQ13/NRA)

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Subject :

[redacted]
NICK LACOCO, aka
Nick Lococo, dba
MIDWEST PROTECTIVE COATINGS, INC.,
ETC;
BF&E;
OO: CHICAGO

Re Chicago airtel dated December 27, 1988.

Referenced airtel omitted a lead to interview [redacted]
[redacted] (2nd Floor - right), Chicago,
Illinois.

LEAD

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CHICAGO DIVISION

AT CHICAGO, ILLINOIS

Will attempt to locate and interview [redacted]
[redacted] regarding how NICK LACOCO became
involved with MPC and any information he may have regarding false
statements made to, or submitted to, ABMG and AABLS.

2 - Chicago
JPR:dak
(2)

*Lead assigned
to Chicago*

1*

29A-10382-9

SEARCHED	INDEXED
SERIAL	FILED
JAN 31 1989	
CHICAGO	

[redacted] [initials]

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FEDERAL BUREAU OF INVESTIGATION

2/20/89

Date of transcription

- 1 -

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[redacted] Standard Boiler and Tank Company (SBTC), Inc., 1000 West 142nd Street, Riverdale, Illinois, 60627, telephone numbers: (312) 568-7000 or (312) 849-5100, after being advised of the identity of the interviewing Agent and the nature of the interview, provided the following information:

SBTC had one business transaction with Midwest Protective Coating (MPC) which is reflected on MPC invoice #1206. MPC invoice #1206 is dated March 22, 1988, and was received at SBTC via the U.S. Mails on March 28, 1988. On April 26, 1988, during its normal course of business, SBTC check # 396 was made payable to MPC for the full amount reflected on the invoice, \$1,225.00. SBTC's account is maintained at the Heritage Pullman Bank. [redacted] stated that he doesn't recall when the check was sent to MPC. Normally, if the invoice is a month old when the check is drawn, it is mailed directly. Sometimes, possibly on larger checks, SBTC may sit on a check for a few days prior to sending it. The payment to MPC, \$1,225.00, does not warrant holding on to the check. The check was mailed to MPC via the U.S. Mails, probably on or about April 26, 1988. Sometime after April 29, 1988, SBTC received a letter dated April 29, 1988, from MPC which indicated that MPC had pledged and assigned their accounts receivables to a third party. The letter stated that MPC customers should send their payments directly to the third party. Sometime after SBTC had received the MPC letter they received a telephone call from a representative of the third party, Affiliated Asset-Based Lending Services, Inc. (AABLS). The AABLS representative wanted to know the status of MPC invoice #1206. The representative was advised that the invoice had already been paid. [redacted] stated he did not tell anyone from AABLS or any other company that he didn't mail the payment until May 23, 1988. [redacted] stated he had a few conversations with AABLS personnel. They were trying to get him to pay them \$1,225.00; however, he refused because he had already paid MPC. During one of his conversations with one of AABLS representatives, [redacted] stated that check #396 was cashed on May 27, 1988. Allowing a few days for the mails, it is possible

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Investigation on 2/3/89 & 2/6/89 at Riverdale, Illinois/
Orland Park, Illinois File # Chicago 29A-10382-10
by SA [redacted] RJG/ds Date dictated 2/6/89

Continuation of FD-302 of [REDACTED], On 2/3/89 & 2/6/89, Page 2*

the check was mailed to MPC on or about May 23, 1988. [REDACTED] reiterated he does not know when the check was sent to MPC. Normally, that size of a payment is sent within 30 days of the invoice data. [REDACTED] stated he definitely never intentionally sent payment to MPC after being notified by MPC to send the payment to AABLS.

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[REDACTED] provided copies of check #396 and the April 29, 1988 letter.

FEDERAL BUREAU OF INVESTIGATION

-1-

Date of transcription 5/4/89

[redacted] MAECORP, INC., 17450 South Halsted, Homewood, Illinois, telephone number 957-7600, advised that, during the approximate week, prior to August 10, 1988, he received about three calls from NICK with MIDWEST PROTECTIVE COATINGS, INC. (MPC). He can not recall NICK'S last name, but it could have been LOCOCO. In the first conversation, NICK referred to MPC invoice and stated that he needed to be paid as soon as possible. [redacted] told him that he had already received notice of the Chapter 11 filed by MPC, along with instructions that no further payments should be made without referring the payments to DONALD L. NEWMAN AND ASSOCIATES, 29 South LaSalle Street, Chicago, Illinois.

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[redacted] advised that his [redacted] of Finance and Administration, MAECORP, INC., sent a letter to DONALD L. NEWMAN and Associates on the day of the Chapter 11 notification. The letter was to advise that MAECORP, INC., did not owe MPC any money. The only two transactions between the two companies had both been paid in full.

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[redacted] advised that he spoke to [redacted] on August 10, 1988 regarding NICK'S request for payment. [redacted] told [redacted] to hold on for a few days and he would get back to him. [redacted] subsequently instructed [redacted] by telephone on August 12, 1988, to pay the invoice with two checks in equal amounts. [redacted] accordingly made one check payable to the AFFILIATED ASSET BASED LENDING, and one check payable to MPC. Both checks were in the amount of \$1,490.00. [redacted] then sent [redacted] a letter confirming his telephonic instructions. [redacted] believes that NICK came by and picked up the check for MPC.

[redacted] advised that he has no recollection of whether the checks issued for the May 11, 1988, invoice #2002 and the March 31, 1988, invoice #1212 were picked up or mailed. If they were mailed, he has no record of where they were mailed. He believes that those payments were made before MAECORP was advised of the Chapter 11.

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Investigation on 2/22/89 at Homewood, Illinois File # CG 29A-10382-10XV
by SA [redacted] dm [signature] Date dictated 4/27/89

CG 29A-10382

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Continuation of FD-302 of [REDACTED], On 2/22/89, Page 2

[REDACTED] furnished a copy of each of the documents
in his MPC file.

FEDERAL BUREAU OF INVESTIGATION

1

Date of transcription 2/27/89

[redacted] (Date of Birth [redacted] 1940) was contacted at her office at STAUFFER CHEMICAL COMPANY (SCC), 2000 Michigan Street, Hammond, Indiana, telephone [redacted]. Upon being advised of the identity of the interviewing Agent and the nature of the interview, she provided the following information:

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[redacted] processes all paperwork concerning billings for SCC. She states that part of her duties include entering accounts payable items into the computer which causes a check to be issued by SCC office at 55 Merritt Boulevard, Trumbull, Connecticut, 06611. She was able to supply a photocopy of the accounts payable listing for MIDWEST PROTECTIVE COATINGS, Morton Grove, Illinois, that caused a check for \$13,570 to be issued. This was run on June 1, 1988, at 10:49 a.m. This was prepared in response to MIDWEST PROTECTIVE COATINGS' invoice #1237 dated May 3, 1988. The work on this invoice was for blasting all interior surfaces of an 80,000 gallon storage tank at STAUFFER CHEMICAL COMPANY's site. Along with this [redacted] supplied a waiver of lien which releases the STAUFFER CHEMICAL COMPANY from any liability if MIDWEST PROTECTIVE COATINGS does not pay their bills. Also attached is a letter from MIDWEST PROTECTIVE COATINGS to [redacted] of STAUFFER CHEMICAL COMPANY signed by [redacted] [redacted] MIDWEST PROTECTIVE COATINGS, requesting payment and notifying STAUFFER that the waiver of lien had been supplied. [redacted] advised that [redacted] did not personally deal with this matter, though. [redacted] also supplied STAUFFER CHEMICAL COMPANY purchase requisition #238606 requesting MIDWEST PROTECTIVE COATINGS to sandblast the 80,000 tank. [redacted] advised that her files did not have a copy of MIDWEST PROTECTIVE COATING invoice #1233 and she does not know anything about it.

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After [redacted] entered this accounts payable listing into the computer, it was transmitted to Trumbull, Connecticut, and then a check was issued by the Trumbull office. It was payable to MIDWEST PROTECTIVE COATINGS in the amount of \$13,570. That was then mailed to STAUFFER CHEMICAL COMPANY's office at 2000 Michigan Street, Hammond, Indiana, then held for someone from MIDWEST PROTECTIVE COATINGS

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Investigation on 2/21/89 at Hammond, Indiana File # IP 29A-4347
by SA [redacted] mda Date dictated 2/21/89
2 cc CG 29A-10382 - 10X2

IP 29A-4347

Continuation of FD-302 of , On 2/21/89, Page 2

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to pick up. She does not recall any telephone conversations with anyone from MIDWEST PROTECTIVE COATINGS. The check was picked up, however, she was unable to recall who it was that picked the check up.

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/3/89

[redacted] DOB [redacted] 43, [redacted]
[redacted] Bulkmatic, 11861 S. Cottage Grove, Chicago,
Illinois, telephone number (312) 821-0500, was advised of
the identity of the interviewing agents and the nature of
the interview. [redacted] provided the following information:

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[redacted] recalls the name Midwest Protective Coatings
and knows there was something going on that made that company's
name stand out, but he doesn't recall what it was.

Upon looking at the documentation regarding invoice
number 1202 from MPC to Bulkmatic it appears that there
was nothing unusual about the invoice or payment thereof.
There was no ink stamp on the invoice stating payment should
be made to anyone other than MPC. The check was computer
printed and payment was made within a reasonable time after
receiving the invoice. There is no letter in the file from
[redacted] or AABLS. There is no indication as to whether
the check was picked up in person. The check, check #18333,
could not be located but a note on the back of the invoice
copy SA [redacted] had states that a copy of the cancelled
check was sent to whoever wrote the note. [redacted] assumes
that the check was pulled and not replaced where it belongs.
If for any reason a copy of the check is required the account
is held at Northern Trust Company, 50 S. LaSalle, Chicago,
Illinois 60675. The account number is 31598558. Persons
to contact at the bank are [redacted]
[redacted] will give his authorization to the bank to supply
the FBI with a copy of the check if one of these ladies
calls him.

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Investigation on 3/2/89 at Chicago, Illinois File # 29A-10382-11
by SA [redacted] Date dictated 3/3/89
EPK/ccl

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/3/89

[redacted] Bulkmatic,
Dry Products Operations Terminal, 12000 S. Coty Ave., Chicago,
Illinois, telephone number (312) 568-1300 provided the following
information:

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[redacted] was introduced to SA [redacted]
over the phone by [redacted] of Bulkmatic,
during an interview of [redacted] had dealt with
MPC officials regarding repair work to the inside of liquid
tanker vessels. He spoke with [redacted] at MPC. Bulkmatic
quit doing business with MPC because they were unhappy with
their work. The only time they used MPC in 1988 was to
repair two front fenders on a Kaiser Chemical trailer that
their truck had damaged. This refers to invoice #1202.

[redacted] stated that [redacted] who
works with him recalls talking to a [redacted] at MPC. Regarding
billings and payments [redacted] would ok the bills from
MPC for work done, attach a purchase order and send it to
Bulkmatic's accounting department.

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Investigation on 3/2/89 at Chicago, Illinois File # 29A-10382 -12

by SA [redacted]

EPL/COI

date dictated 3/3/89b6
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Memorandum



To : SAC, CHICAGO (29A-10382) (P)

Date March 10, 1989

From : SA [redacted]

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Subject : [redacted]
Nick Lacoco, aka
Nick Lococo, dba
Midwest Protective Coatings, Inc.
Etc.;
BF&E;
OO: CG

Re Chicago airtel dated 12/27/88.

Enclosed are the following:

1. Original and one copy regarding 302 of interview of [redacted] of Bulkmatic.
2. Original and one copy regarding 302 of interview of [redacted] of Bulkmatic.

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Further leads set out in referenced airtel are in the process of being covered.

29A-10382-13

PBC

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 10 1989	
FBI - CHICAGO	

NRW [redacted] J

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FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ Airtel

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 2/27/89

SAC

ASAC TOLEN

ASAC CROCKER

ASAC WALSH

OSM

Sq 5

Sq 5A

Sq 5B

Sq 5C

Sq 6

Sq 6A

Sq 6C

Sq 6D

Sq 7

Sq 7A

Sq 7B

Sq 7C

Sq 8

Sq 9

Sq 10

Sq 11

Sq 12

Sq 13

Sq 13A

Sq 14

Sq 15

Sq 16

OCDET

TO: SAC, CHICAGO (29A-10382) (SQ. 13/NRA)

FROM: SAC, INDIANAPOLIS (29A-4347) (RUC)

NICK LOCOCO - SECRETARY, aka
 Nick LaCoco;
 MIDWEST PROTECTIVE COATINGS, INC.,
 CALUMET PARK, ILLINOIS - CUSTOMER;
 AFFILIATED BANK MORTON GROVE,
 MORTON GROVE, ILLINOIS;
 BF&E (A)

OO: CHICAGO

Reference Chicago airtel to Indianapolis dated
 12/27/88.

Enclosed for Chicago are the original and two
 copies of an FD-302 pertaining to an interview with [redacted] and two FD-340's, one containing the original notes
 [redacted] and two FD-340's, one containing the original notes 134/137 Rm
 reference the interview of [redacted] and the second containing
 photocopies of all documents in possession of STAUFFER
 CHEMICAL COMPANY concerning transactions with MIDWEST PROTECTIVE
 COATINGS.

For information of Chicago, [redacted] supplied
 a photocopy of STAUFFER CHEMICAL COMPANY check to MIDWEST
 PROTECTIVE COATINGS. She states she was the one who would
 have handled this check, entering it into the computer
 and causing it to be issued by their home office in Connecticut.
 She recalls that the check was picked up by someone from
 MIDWEST PROTECTIVE COATINGS, however, she was unable to

②-Chicago (Enc. 5) GOC
 2-Indianapolis
 SPC/mda
 (4)

Approved: _____ Transmitted _____

(Number)

(Time)

Per

29A-10382-14

SEARCHED INDEXED
 SERIALIZED FILED
 FEB 28 1989
 FBI - CHICAGO

107 14 129

NRA
 w/enclos

IP 29A-4347

recall who this was beyond that it was a white male. She does not recall any other conversations concerning this transaction. She states that she believes that no one else at STAUFFER CHEMICAL COMPANY would have had any dealings with anyone from MIDWEST PROTECTIVE COATINGS. [REDACTED] referred to in MIDWEST PROTECTIVE COATINGS' invoice #1233, is no longer with the company and it is unknown where he is.

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All leads outstanding at Indianapolis have been covered and the Indianapolis Division considers this matter RUC'd.

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 4/3/89

[redacted] DOB [redacted]/50, [redacted] Rail Dispatch.
4335 So. Western, Chicago, IL., telephone number [redacted]
upon being advised of the identity of the interviewing agents
and the nature of the interview provided the following information:

[redacted] and NICK LOCOCO are friends from "the
old neighborhood". [redacted] ex-wife and LOCOCO [redacted]
were friends who played bingo together. They have been
friends for the past 10-15 years. LOCOCO occasionally drops
by Rail Dispatch to socialize. [redacted] Rail Dispatch
but his two brothers, his father and his son all work [redacted]
[redacted] and also know LOCOCO. He has not spoken with LOCOCO
for approximately two months. He never used LOCOCO'S business,
Midwest Protective Coatings (MPC) in his own business. The
only thing he ever did for LOCOCO was accept a paint delivery
out of Green Bay, Wisconsin which he paid for. MPC then
picked it up and reimbursed him for it.

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[redacted] knows very little about LOCOCO'S business.
About two years ago, all of a sudden Lococo was in business.
He doesn't know how it came about.

After reviewing the invoices [redacted] claims to
have never seen them and knows nothing about them. He is
an honest person and would not risk his reputation to be
involved in such a scheme. Although his family also knows
LOCOCO he does not believe they would be involved in an
illegal scheme with LOCOCO.

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[redacted] is solely in charge of all business decisions.
If AABLS called to verify an invoice, the call should have
come to him. He never received such a call.

Investigation on 3/31/89 at Chicago, Illinois File # 29A-10382-14x2
by SA [redacted] Date dictated 3/31/89
EPK/ccl

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 4/18/89

[redacted] DOB [redacted]-51, [redacted] Uptown Auto Supply, 4077 N. Broadway, Chicago, Illinois telephone number (312) 561-6122, was interviewed at Lynch Subaru, 5330 Irving Park, Chicago, Illinois. Upon being advised of the identities of the interviewing agents and the nature of the interview [redacted] provided the following information:

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Uptown Auto has been in business 35 years and is an honest business. The only business he ever conducted with NICK LOCOCO was that LOCOCO may have given them an estimate for painting the floors in their warehouse area. He doesn't recall receiving anything in writing regarding that estimate. As it turned out they did not contract the job out, they did it themselves.

Upon reviewing the invoice (#1219) from Midwest Protective Coatings [redacted] stated that this work was never done. He met LOCOCO about 10 years ago through friends. He knew LOCOCO worked for the city and about two years ago went into his own business. LOCOCO would visit the store from time to time.

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[redacted] does not come into the shop very often. [redacted] handle the financial affairs of the store. If a billing statement were to come in it would go to one of them. He did not receive a telephone call from anyone asking about these invoices. He did not tell anyone they were legitimate or that he owed the money.

Investigation on 4/18/89 at Chicago, Illinois File # 29C-10382 -14x3

by SA [redacted] Date dictated 4/21/89
EPK/

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 4/18/89

[redacted] Uptown Auto Supply,
4077 N. Broadway, Chicago, Illinois, telephone number (312)
561-6122 was advised of the identities of the interviewing
agents and the nature of the interview. She provided the
following information:

[redacted]
for Uptown Auto. It is a family run business. She is not
completely familiar with the company Midwest Protective
Coatings but she recalls receiving some kind of paperwork
or billing statement from MPC. She doesn't recall clearly
the circumstances surrounding it but she knows they did
not pay it because no work was ever performed for them by
MPC. Nor did she tell anyone that the bill was legitimate.

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NICK LOCOCO is friends with [redacted]
the [redacted] of Uptown Auto. LOCOCO has come
into the store to visit on occasion.

Investigation on 4/18/89 at Chicago, Illinois File # 29A-10382-1484
by SA [redacted] Date dictated 4/21/89
EPK/ccl

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 4/19/89

[redacted] DOB [redacted] 42, [redacted] of
 D. Andrich Cartage, Inc., 1121 W. 18th Street, Chicago,
 Illinois, telephone number (312) 733-8300, upon being advised
 of the identities of the interviewing agents and the nature
 of the interview, provided the following information:

The company belonged to [redacted] D. ANDRICH
 who died in December, 1988. The estate is now in probate.

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[redacted] met NICK LOCOCO five or six years ago
 through the company's work with the City of Chicago. ACI
 had contracts to haul for the Department of Sanitation,
 which LOCOCO works for. He is not sure what LOCOCO does,
 but thought he was some kind of boss. He is not social
 friends with LOCOCO, although LOCOCO has been known to stop
 by the shop if he was in the neighborhood or would stop
 to drop off the "hired account" sheets which are in reference
 to the trucks hired for hauling for the city.

[redacted] recalls being asked by someone to write
 a letter stating that there was no work done at his shop
 by Midwest Protective Coatings. He believes they sent the
 letter to an attorney. He will try to find a copy of the
 letter. [redacted] wrote the letter and she may know
 where a copy can be found.

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When shown invoice #1213, [redacted] said the property
 located at 930 W. 18th Street, Chicago, Illinois, is a vacant
 lot where they park their trucks. MPC did not do any work
 on that lot. Invoice #1211 is a warehouse type area which
 did not receive any work from MPC.

[redacted] does not recall receiving any phone calls
 where he would have told someone that he is familiar with
 the invoices and that those accounts were still open (as
 per the back of invoice #1213).

Investigation on 4/19/89 at Chicago, IllinoisFile # 29A-10382-14x5by SA [redacted]
EPK/CCIDate dictated 4/21/89b6
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FEDERAL BUREAU OF INVESTIGATION

1

Date of transcription 3/8/89

[redacted] who was accompanied by her [redacted] home address [redacted] [redacted] Illinois, home telephone number [redacted] voluntarily appeared at the office of the FEDERAL BUREAU of INVESTIGATION (FBI), 14475 John Humphrey Drive. At the outset of the interview, [redacted] were advised as to the identity of the Special Agent (SA) [redacted] [redacted] as an agent with the FBI and were also advised that the nature of the investigation was in connection with the dealings of a business called MIDWEST PROTECTIVE COATINGS, INCORPORATED (MPCI) had with the AFFILIATED BANK/MORTON GROVE (ABMG), Morton Grove, Illinois. She subsequently provided the following information:

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She advised that her [redacted] knew this individual by the name of [redacted] who was involved with the INDUSTRIAL COATING BUSINESS. Her husband, [redacted] and another individual by the name of [redacted] (phonetic) decided to establish their own industrial coating business, which they did sometime in 1980 or early 1981. [redacted] (phonetic) was the one who named the business MPCI. [redacted] was also the one who obtained the financing to establish the business from ABMG, Morton Grove, Illinois, by pledging the equity in his home. During the early years of the business, either [redacted] (phonetic) handled the banking end of the business.

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Shortly after MPCI was formed, [redacted] brought his [redacted] into the business. Her husband knew [redacted] before from working with her in the industrial coating business. [redacted] indicated she obtained financing for the business by pledging her home. [redacted] took care of the bookkeeping end of the business. During the Fall of 1987, [redacted] brought in another individual by the name of LOCOCO into the business. [redacted] indicated that LOCOCO was interested in buying into MPCI. LOCOCO had some type of title either Secretary or Controller for the business.

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Investigation on 2/23/89 at Orland Park, Illinois File # CG 29A-10382-15
by SA [redacted] ccj Date dictated 2/27/89

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LOCOCO was basically in and out of the business office but was not there on a daily basis.

She stated that her job was to answer the telephone, talk to customers as well as type up estimates for jobs and billing invoices as well as other general office work. She was an office employee.

Prior to moving to Calumet Park, Illinois, the company office was located in Lyons, Illinois. The company moved to the Calumet Park Office sometime in 1983 or 1984. In August, 1988, the company moved from Calumet Park to an office in Gary, Indiana. The reason the company moved was because they needed more space because they were involved with recoating and refurbishing semi-tractor trailers.

She stated she is no longer employed with MPCII.

During the course of her employment with MPCII, she was responsible for typing up the billing invoices. She would receive her instructions for typing up these billing invoices from [REDACTED]. She stated that [REDACTED] were her immediate superiors. She stated that she would type up these billing invoices after the job was completed.

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She had no firsthand knowledge of [REDACTED] and LOCOCO'S dealings with the ABMG.

She stated she had no personal knowledge of typing up any false invoices. All the invoices she typed up for the business were legitimate. In doing her office work, she handled a form called a receiving ticket. This particular form would indicate what item had to be coated for the customer plus the name of the customer. She would then pull the purchase order which related to the receiving ticket. She stated with that information, she would type up a four part work order. Three copies of this work order went to work in progress. The stiff copy of this form was attached to the related receiving ticket. That particular form would be placed with [REDACTED] paperwork. [REDACTED] was in charge of the shop and he would tell her when the

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CG 29A-10382

Continuation of FD-302 of [REDACTED]

2/23/89

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work was completed. [REDACTED] would then instruct her when to pull the paperwork and type up the billing invoice. The two white copies of the invoice would be mailed to the customer. The pink copy of this same invoice would be retained by the company and would be considered as an accounts receivable until the company received the payment.

She stated that the company had an accounts receivable ledger which listed the invoices in numerical sequence. The ledger also reflected the name of the customer, the date of the invoice, and the amount due. If she did not have the accounts receivable ledger book, [REDACTED] would normally have this book.

She stated that she did not handle the customer's payment when that payment was received at the office. The customer's payments normally came in the mail and that mail was given to [REDACTED] was the individual who was responsible for handling the banking and depositing the business receipts. She stated that in April, 1988, the accounts receivables of MPC I were pledged as collateral to the bank. This was done under a banking program she knew as the "Able" program. She and her husband were told by [REDACTED] that they had to go along with this lending agreement in order to remove the equity of their home from the indebtedness of MPC I. She and her husband basically used the equity in their home in order to re-pay \$90,000 of the companies indebtedness to the bank. [REDACTED] were also supposed to put up a like amount. She had no knowledge whether [REDACTED] did that. She recalled that a meeting did take place with the bank on Good Friday in April, 1988. The participants at that meeting were herself, her husband, [REDACTED]

NICK LOCOCO [REDACTED]

[REDACTED] and an individual by the name of [REDACTED] (phonetic). She believes that during that meeting, she and her husband were provided with an explanation of the "Able" program. She and her husband were told that they would have a \$90,000 mortgage on their home which they would owe to the bank. The \$90,000

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Continuation of FD-302 of [REDACTED]

, On 2/23/89

, Page 4

in proceeds of this mortgage would go to pay off their share of the MPCCI loan. Prior to that meeting, she and her husband had a conversation with [REDACTED] LOCOCO and [REDACTED] in which they indicated to these individuals that they wanted to remove their home as collateral from the business loan paperwork. She stated that she and her husband basically refinance their home. She stated that [REDACTED] (ph) [REDACTED] would have had to be provided with the list of the customers of MPCCI, as well as, being notified as to any new customers after MPCCI agreed to this lending arrangement. [REDACTED] provided her the list of the customers which she had to type up for [REDACTED] and send to ABLE office so they would know which customers to contact in order to inform the customer to forward their payment to the ABLE office rather than MPCCI. As she recalls, she only typed up one customer list and that was done on one occasion. She did not know whether [REDACTED] typed up any other customer list for the ABLE office. She was unable to recall when she exactly typed up this list for [REDACTED] but said that it was in the period of April, May or June, 1988. She assumed that [REDACTED] would be responsible for notifying the ABLE office about any new customers. She stated that [REDACTED] was initially the Secretary/Treasurer of MPCCI until she took the position of President sometime in 1986 or 1987. She stated that [REDACTED] took over as [REDACTED] of the company when she and her husband refused to sign any more bank loan paperwork to get additional financing for the company.

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As far as she knew, she was not aware of anyone at the company picking up payments directly from the customer after the business entered this agreement with ABLE. She recalls that one customer, STANDARD BOILER was stubborn about sending the payment to ABLE and forwarded their payments directly to MPCCI. After MPCCI received the payment, they forwarded this customer's payment to the bank.

She had no firsthand knowledge of any conversations about diverting payments.

She became aware of the financial problems with the company some time in 1986 or 1987. She stated that

CG 29A-10382

Continuation of FD-302 of [REDACTED]

On 2/23/89

Page 5

the company business was seasonal. It was her opinion that that [REDACTED] did not appropriately budget the company funds according to the seasonal nature of their business. She recalled that on one occasion, [REDACTED] telephoned her at home. [REDACTED] told her that she wrote checks to pay some company bills and the bank wanted money to make good on the checks that she wrote for these bills. [REDACTED] asked her for advice on what to do about the matter. She told [REDACTED] that she and her husband could not afford to give her anymore money.

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She found out about the company filing for bankruptcy some time in July, 1988. She recalls that on one occasion during that month, [REDACTED] NICK and [REDACTED] came into the law office in Calumet Park. She was told that they had been with a lawyer by the name of [REDACTED] whose last name she is unable to recall, who had advised that they should file for bankruptcy under Chapter 11. It was her feeling that the reason the company had to file bankruptcy was the company was mismanaged.

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She had no idea of what type of salary anyone else with MPCJ was receiving. [REDACTED] and LOCOCO were responsible for handling the money end of the business.

She and her husband did not socialize with any of those individuals. She had no idea about the lifestyles of any of these individuals. She added that she had no idea about [REDACTED] lifestyle. She knew nothing about the personal lives of these individuals. She had no personal knowledge of any false information being provided to the bank.

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She recalled that [REDACTED] who was the [REDACTED] handling the original loans, would periodically visit the company office. As she thinks back on that, she felt that it was odd that [REDACTED] never requested nor did he ever review the company books.

FEDERAL BUREAU OF INVESTIGATION

1

Date of transcription 3/7/89

[redacted]
[redacted] Illinois, telephone number [redacted] was interviewed at the office of the FEDERAL BUREAU of INVESTIGATION (FBI) located at 14475 John Humphrey Drive. [redacted] was present with him during the interview. After being advised of the identity of Special Agent (SA) [redacted] as an agent with the FBI and the nature of the investigation, he provided the following information:

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Prior to his involvement with starting the business known as MIDWEST PROTECTIVE COATINGS, INCORPORATED (MPCI), he was employed with a company called INDUSTRIAL COATINGS (IC). He was employed as a salesman for IC. Through his employment with IC, he became acquainted with [redacted] who was in charge of the shop at IC. Because he had knowledge of the sales end of the business and [redacted] had knowledge of the shop work required for the business, he and [redacted] started talking about going into business together. Another individual by the name of [redacted] (phonetic) also expressed an interest in going into business with them. He became acquainted with [redacted] through his employment with IC. During that time, [redacted] was involved with the business of buying and fixing up used forklift trucks and then reselling them. [redacted] also rented space out of a building from IC. All three of them made a verbal commitment concerning the establishment of MPCI. He stated they named the business they formed MPCI. He stated that [redacted] was the one who went to the AFFILIATED BANK/MORTON GROVE (ABMG), Morton Grove, Illinois, in order to get financing for forming the business. [redacted] used his home as collateral in order to get financing for the business. He did not know how the business was actually incorporated. MPCI was formed in November, 1980. Shortly after the business was started, [redacted] into the business. He stated that [redacted] held the position of [redacted] he held the position of [redacted] [redacted] held the position of [redacted] and he did not know what title [redacted] had.

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Originally, their company office was located

Investigation on 2/23/89 at Orland Park, Illinois

File # CG 29A-10382 -16

by SA [redacted]

ccj

Date dictated 2/27/89

CG 29A-10382

Continuation of FD-302 of [REDACTED]

2/23/89

2

, On [REDACTED], Page [REDACTED]

on South Western Avenue. After leaving that location, their company office moved to a building located in the vicinity of Archer and Central Avenue. After that, the company office moved out to Lyons, Illinois. After they left Lyons, they moved into an office in Calumet Park, Illinois.

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Prior to coming with MPC, [REDACTED] was employed in the bookkeeping area with IC. She left her position with IC and thereafter became involved with MPC.

During the middle of 1981, [REDACTED] had a falling out between them and [REDACTED] wanted out of the business. [REDACTED] indicated to him that he [REDACTED] were having a falling out concerning the business relationship. [REDACTED] claimed the falling out had something to do with money plus [REDACTED] was not working enough hours. [REDACTED] eventually ended his involvement with the business in [REDACTED]

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During the Fall of 1981, [REDACTED] approached him about investing money into the business. [REDACTED] asked him to use his house as collateral to get financing for the business. During the Spring of 1982, [REDACTED] approached him and he and [REDACTED] sat down with the company [REDACTED]. The collateral they were going to use for the loan was an apartment building which was owned by [REDACTED] parents. [REDACTED] also resided in this same apartment building. His investment into this business was that he was going to use the equity in his home as part of that collateral. [REDACTED] conveyed to him at the time that they would only need his financial backing for a short time until they were able to arrange some other means of financing. [REDACTED] claims that she was going to obtain a small business loan which would allow him to remove himself financially from the business. However, that small business loan fell through.

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He recalls signing the loan papers in which he put up the equity in his house with ABMG. That particular loan was handled by Bank [REDACTED]

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After that, he became a part owner of MPC. By

CG 29A-10382

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Continuation of FD-302 of [redacted], On 2/23/89, Page 3

the arrangement, he owned [redacted] of the shares, [redacted] owned [redacted] of the shares, and [redacted] owned the remaining [redacted] of the shares.

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During the Summer or Fall of 1987, [redacted] brought NICK LOCOCO into the business. He did not know LOCOCO until this individual became involved with MCPIC. He heard that LOCOCO assisted the business by getting a customer by the name of E & H CONSTRUCTION to pay their bill with MCPIC. He also heard [redacted] mention LOCOCO'S name and that LOCOCO was interested in investing money into MCPIC. [redacted] told him that LOCOCO did invest money into MCPIC. He had no personal knowledge that LOCOCO actually invested money into the company.

During the entire time he was involved with MCPIC, he was a salesman for the company. He had his regular customers plus had to solicit new customers. His business paperwork consisted of writing out the item to be refurbished, the name of the customer who was requesting it, and the price quoted to the customer. He would write out those details on a piece of paper and then provide that paper to his wife or [redacted] for typing.

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[redacted] was employed with MCPIC during the last couple of years. His wife did the typing for the business.

During his involvement with MCPIC, he reported to [redacted] He was not aware of what LOCOCO actually did for the company.

In April, 1988, he signed over his shares of stock in the company to the other owners. That was when he was no longer obligated financially to the company. He did that by refinancing his house with a 90 thousand dollar mortgage and using those proceeds to apply against his share of the indebtedness of MCPIC with the bank. In April, 1988, he was surprised that the total company indebtedness was in the area of \$270,000. He could not understand why the bank would lend such an amount to MCPIC since the collateral was for a lending limit up to \$120,000.00.

He had no firsthand knowledge of the preparation

CG 29A-10382

Continuation of FD-302 of [redacted], On 2/23/89, Page 4 b6 b7C

of any false invoices by anyone with MPCI. He had no involvement with the banking end of the business. [redacted] handled the banking relationship.

He stated that in November, 1986, he told [redacted] that he would not sign any more loan paperwork which would increase the company indebttness with the bank. He stopped signing the loan papers when the balance of the indebttness was in the area of \$210,000.00. He also refused to sign any renewals on the loan. He could not understand how the loan renewals were made. He stated that before that time, he always had to sign the loan papers. He could recall receiving contacts from the bank who would request him to sign the loan papers. He stated that if his purported signature is on any bank paperwork after November, 1986, that signature would be a forgery.

He stated that he had no social relationship with [redacted] or LOCOCO. He had no idea of the lifestyles of any of these individuals.

He stated that [redacted] was responsible for handling the money end of the business and he assumed that LOCOCO also handled the money.

He overheard conversations which indicated that LOCOCO was employed with the City of Chicago.

In July, 1988, [redacted] and LOCOCO informed him and his wife that they were filing bankruptcy and that they were going to move their company office to Indiana. He was told that a friend of LOCOCO'S had a building over in Gary, Indiana, which the company could use.

During the middle of August, 1988, they started moving in stages out of the Calumet Park office over to an office located on Ellsworth Street in Gary, Indiana. He kept on working for the company until he quit in late November or early December, 1988. The reason he stayed on after the bankruptcy was to keep the business going. However, when [redacted] informed him that there was not enough money to buy certain items for different jobs, he got fed up and just quit. He informed [redacted] that he was quitting his job with the company.

CG 29A-10382

Continuation of FD-302 of

, On 2/23/89

, Page 5

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He stated that LOCOCO, had a lot of private meetings together in which he was not privy to what went on.

He had no knowledge of what happened to the money which the company borrowed from the bank. He was told that the money went to pay business expenses.

He was a salary employee of the company and was paid \$250.00 per week. For a long time, he went without salary and just had the company pay his salesman expenses.

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 4/25/89

[redacted]
Floor, Chicago, Illinois, telephone number [redacted]
voluntarily appeared at the FBI offices in Chicago where
he was advised of the identities of the interviewing agents
and the nature of the interview. He then provided the following
information:

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[redacted] of Uniline
Industries which has basically taken over the same type
of work as Midwest Protective Coatings (MPC) had performed.
MPC is currently in bankruptcy status as of February, 1989.
MPC is owned by [redacted] and NICK LOCOCO.
They have retained a lawyer due to the problems they are
having with affiliated Asset-Based Lending Services, Inc.
(AABLS) which has forced them into bankruptcy.

MPC was formed in 1980 by [redacted]
In 1981 they needed working capital so [redacted] invited
[redacted] to invest in MPC, which she did. [redacted]
[redacted] He has been married to [redacted]
for [redacted] years. In [redacted] share
of the business. About that same time they moved the business
to Calumet Park. In 1987 NICK LOCOCO, a friend of [redacted]
came into the business by investing \$40,000.00. In 1988
the company went into a restructuring program where [redacted]
paid off his share of the note and got out of the business.
LOCOCO'S job was to expand the business by bringing in trucking
companies as new customers. He had a lot of contacts with
these businesses, although [redacted] didn't know why that
was. He did know that LOCOCO worked for the City of Chicago's
Sanitation Department. Prior to this they rehabbed industrial
tanks, such as acid tanks, chemical storage tanks and hot
water tanks.

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[redacted] does not know who handled the paying
of bills but MPC's invoices were sent to customers by [redacted]
[redacted] while [redacted] was still a partner. Afterwards
they hired a girl named [redacted] (LNU) who now handles it.
[redacted] was in charge of Sales and Production, while LOCOCO
and [redacted] sought out new customers.

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b7CInvestigation on 4/25/89 at Chicago, Illinois File # 29A-10382-17by SA [redacted]
EPA/CCIDate dictated 4/25/89

Continuation of FD-302 of [redacted]

On 4/25/89, Page 2

When the work for a customer is completed the "hard card," which shows what work was done is given to [redacted] so she can send out an invoice for payment.

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MPC's problems arose from a loan received from Morton Grove Bank. At the time [redacted] believed it was a \$50,000.00 loan secured by the Halsted property as collateral. MGB sent [redacted] of the Halsted property, a blank note to sign, which they did.

Each year they renewed the "loan" and only paid on the interest every three months. In [redacted] and the company went into restructuring, they were told that the note was up to \$135,000.00. It was then that [redacted] learned that it was not a \$50,000.00 loan but was being treated as a line of credit. MGB had not cut off MPC's credit at \$50,000.00 but had just kept loaning them money. [redacted] was not aware they had borrowed that much money. At this time MGB referred MPC to AABLS. In April, 1988 AABLS and [redacted] set up a restructuring program so that completed invoices would be given to AABLS and they were suppose to collect the money due, although sometimes the checks would come to MPC and would have to be sent to AABLS. From those receivables AABLS would apply 40% to the outstanding line of credit and give 60% to MPC to serve as working capital. [redacted] charged MPC \$15,000 for this service.

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[redacted] originally worked for the company in 1980 when it was founded. He then left and there were several other [redacted] employed, including [redacted] [redacted] came back specifically to help with the restructuring. After the restructuring MPC still owed [redacted] \$2000 and [redacted] stayed on as [redacted] When [redacted] hired an attorney he found out that [redacted] was not a [redacted] as [redacted] had claimed.

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In approximately August, 1988 AABLS sent a foreclosure notice on the Halsted property. They informed MPC that they were receiving false invoices.

AABLS showed [redacted] a sheet of paper with a list of invoices and [redacted] signature at the bottom. He recalls that when the restructuring went through [redacted] signed a bunch of papers, including some blank ones. He doesn't know if the invoice list was blank when [redacted] signed it, but thought it might have been one of the blank sheets she signed.

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Continuation of FD-302 of [REDACTED]

, On 4/25/89 , Page 3

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[REDACTED] was deposed from AABLS and admitted that [REDACTED] did in fact sign a blank sheet of paper. MPC's [REDACTED] with Burke & Smith.

[REDACTED] suspects [REDACTED] of submitting false invoices and then of notifying AABLS of their falsity. [REDACTED] saw the false invoices and admits that they are false. He has no actual knowledge as to how AABLS got them. He does not know how [REDACTED] would have come up with the company names on the false invoices, except that once [REDACTED] had asked LOCOCO to project future projects and income and maybe LOCOCO mentioned those companies then.

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[REDACTED] doesn't believe LOCOCO or [REDACTED] would have been giving invoices to AABLS, since it was [REDACTED] job. [REDACTED] doesn't understand how AABLS gave out money based on the invoices since they were suppose to be verifying the invoices with the customers.

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[REDACTED] describes [REDACTED] as [REDACTED] years old, caucasian, and as having had his business in Chicago Heights.

NAME:	[REDACTED]
SEX:	Male
RACE:	Caucasian
DOB:	[REDACTED]
POB:	Chicago, Illinois
SSN:	[REDACTED]
DL:	[REDACTED]
HEIGHT:	5'9" $\frac{1}{2}$
WEIGHT:	180lbs
EYES:	Brown
HAIR:	Brown
ARRESTS:	Possession of controlled substance
FAMILY:	[REDACTED]
ADDRESS:	[REDACTED]
PHONE:	[REDACTED]

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LAW OFFICES OF
DONALD L. NEWMAN & ASSOCIATES
BARRISTER HALL
29 SOUTH LA SALLE STREET - SUITE 640
CHICAGO, ILLINOIS 60603
(312) 641-6693

May 9, 1989

Agent [redacted]
Federal Bureau of Investigations
P.O. Box 450
Arlington Heights, IL 60006

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Re: Midwest Protective Coatings, Inc.,
[redacted] Nick LaCoco
[redacted]

Dear Agent [redacted]

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It is our understanding that you wanted to review a
copy of depositions taken of [redacted]
and Nick LaCoco on August 10, 1988, in connection with
the Chapter 11 bankruptcy proceedings filed by Midwest
Protective Coatings, Inc. as cause number 88 B 10749.

It took several weeks to have the depositions transcribed
after the order was placed.

If I may be of further assistance to you in your investi-
gation, please feel free to call upon me.

Very truly yours,

DONALD L. NEWMAN & ASSOCIATES
[redacted]

DN:gs
Enc.

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copy made & sent to
AKSA [redacted] *SS*

29A-10382-18

SEARCHED	INDEXED
SERIALIZED	FILED
JUN 5 1989	
FBI - CHICAGO	
<i>PR</i>	

Memorandum



To : SAC, CHICAGO (29B-10382)

Date 10/27/89

From : SA [REDACTED] (SQ13/NRA)

Subject: [REDACTED]

ET AL;
BF&E;
OO: CHICAGO

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On October 10, 1989, the United States Trustees Office, 175 West Jackson, Chicago, Illinois, advised that the current trustee for the bankruptcy matter involving MIDWEST PROTECTIVE COATING (88-10749) is [REDACTED] telephone number [REDACTED]. It is now in Chapter 7 proceedings.

② - Chicago
JPR:dak
(2)

1*

29B-10382-19

SEARCHED	INDEXED
SERIAL	
OCT 30 1989	
FBI - CHICAGO	
WLC	

Date 10/10/89

☐ Birth ☐ Credit ☐ Criminal ☐ Death ☐ INS ☐ Marriage* ☐ Motor Vehicle ☒ Other COURT
☐ Driver's License

BANKRUPTCY

To		Buded
Return to	<u>NRA</u>	File number <u>29A-10382</u>

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Name and aliases of subject, applicant, or employee, and spouse

AND MIDWEST PROTECTIVE COATINGS

Addresses

Residence _____
Business _____
Former _____

* Date and place of marriage
(if applicable) _____

Race	Sex <input type="checkbox"/> Male <input type="checkbox"/> Female	Age	Height	Weight	Hair	Eyes
Birth date	Birthplace					
Arrest Number	Fingerprint classification			Criminal specialty		

Specific information desired

Social Security Number

docket shut from 9-2788 to present for
Results of check 88-10749

OK

42789

ordered 10-18-89

docket attached
10-20-89 1A

Thawls
fin

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29A-10382-20

[Redacted] JP

10/23/89 COPY TO HUSA

(Use reverse copy if necessary)

SEARCHED	INDEXED
SERIALIZED <u>RR</u>	FILED <u>RR</u>
OCT 23 1989	
FBI - CHICAGO	
* U.S.G.P.O.: 1986-491-509/509	

PAGE _____

DOCKET NUMBER _____

DATE FILED	DATE OF ENTRY	DOC. NUMBER	RECORD
8-18-88	8-25-88	23.	ORDERED that the employment by MPC as debtor in possession, of [REDACTED] to represent it as debtor in possession on the terms stated in the application is approved. mm BK JUDGE COAR
8-22-88	8-25-88	24.	Notice of appearance of [REDACTED] on behalf of Porter Paint Co. mm
8-23-88	8-25-88		Adjourned hearing on motion of Affiliated Asset-Based Lending Services to lift stay held and adjourned. mm
8-23-88	8-25-88	25.	ORDER the motion of Affiliated Asset Based Lending Services to modify stay and for other relief is withdrawn. mm BK JUDGE COAR
8-23-88	8-25-88		Adjourned hearing on debtor's motion to obtain priority secured DIP Financing held and adjourned to to 9-9-88 at 10:00. mm
9-7-88	9-8-88	26.	Notice of Motion and Motion for rule to show cause on why the debtor, should not be held in contempt of court by Simborg Industrial Real Estate.
9-7-88	9-8-88		ORDER Motion of Simborg Industrial Real Estate for rule to show cause why the debtor should not be held in contempt of court is entered and continued to 9-15-88 at 10:30. mm BK JUDGE COAR
9-9-88	9-13-88	27.	Notice of Filing and Certificate of Service and Debtor's Answer to Midwest Bank's Motion to Lift Automatic Stay. mm
9-9-88	9-15-88		Adjourned hearing on debtor's motion to obtain priority secured DIP financing held and adjourned. mm
9-9-88	9-15-88	28.	ORDER debtor's motion to obtain priority secured DIP Financing is denied as to any further financing. mm BK JUDGE COAR

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DATE FILED	DATE OF ENTRY	DOC. NUMBER	RECORD
9-15-88	9-16-88	29.	Hearing on motion of Simborg Industrial estate (SIRE) for rule to show cause why the debtor should not be held in contempt of court held and adjourned to 9-27-88 at 11:00. mm
9-20-88	9-22-88	29.	Statement of Financial Affairs for debtor engaged in business. mm
9-20-88	9-22-88	30.	Schedule of Debts and Property. mm
9-27-88	9-30-88	31.	Notice of Motion and application for allowance of additional administrative expense by Simborg Industrial Real Estate.
9-27-88	9-30-88	32.	ORDER Motion is entered and continued to 10-14-88 at 10:00. mm BK JUDGE COAR
9-27-88	9-30-88	33.	Notice of Motion and Motion to convert chapter 11 case by the U.S. Trustee.
9-27-88	9-30-88	34.	ORDER Motion is entered and continued to 10-14-88 at 10:00. mm BK JUDGE COAR
10-4-88	10-5-88	34.	Receipt and Verification, Summary of Cash Receipts and Cash Disbursements for month ending 7-29-88. mm
10-13-88	10-14-88	35.	Summary of Cash Receipts and Cash Disbursements for month ending 8-26-88. mm
9-27-88	10-21-88		Adjourned hearing on motion of Simborg Industrial Real Estate for rule to show cause why the debtor should not be held in contempt of court held and adjourned to 10-14-88 and 11-4-88 at 10:00. mm
10-14-88	10-21-88		Hearing on motion of U.S. Trustee to convert held and adjourned to 11-4-88 at 10:00. mm
10-14-88	10-21-88		Hearing on motion of Simborg Industrial Real Estate for additional administration expenses held and adjourned to 11-14-88 at 10:00. mm
10-27-88	10-28-88		Adjourned hearing on debtor's motion to enforce the automatic stay and for damages and sanctions held and adjourned to 11-9-88 at 10:00. mm Cont'd

PAGE

DOCKET NUMBER

DATE FILED	DATE OF ENTRY	DOC. NUMBER	RECORD
10-27-88	10-28-88	36.	ORDER Debtor is given to 11-1-88 to file its bill of particulars as to all damages claimed; and this motion is set for a hearing on 11-29-88 at 10:00. mm BK JUDGE COAR
11-4-88	11-7-88	37.	Notice of Filing and bill of particulars by debtor. mm
11-4-88	11-8-88		Adjourned hearing on motion of Simborg Industrial Real Estate for rule to show cause why the debtor should not be held in contempt of Court held and adjourned. mm
11-4-88	11-8-88	38.	ORDER Motion of Simborg Industrial Real Estate for rule to show cause is withdrawn. mm BK JUDGE COAR
11-4-88	11-8-88		Adjourned hearing on motion of Simborg Industrial Real Estate for additional administrative expense held and adjourned. mm
11-4-88	11-8-88	39.	ORDER Motion of Simborg Industrial Real Estate for additional administrative expense is withdrawn. mm BK JUDGE COAR
11-4-88	11-8-88		Adjourned hearing on motion of U.S. Trustee to convert held and adjourned to 12-2-88 at 2:00. mm
11-29-88	12-1-88		Adjourned hearing on debtor's motion to enforce the automatic stay and for damages and sanctions held and adjourned to 1-5-89 at 2:00 mm
12-2-88	12-7-88		Adjourned hearing on motion of U.S. Trustee to convert held and adjourned to 12-13-88 at 10:00. mm
12-8-88	12-13-88	40.	Summary of Cash Receipts and Cash Disbursements for month ending 9-30-88. mm
12-8-88	12-13-88	41.	Summary of Cash Receipts and Cash Disbursements for month ending 10-31-88. mm

DATE FILED	DATE OF ENTRY	DOC. NUMBER	RECORD
12-13-88	12-14-88		Adjourned hearing on motion of the U.S. Trustee to convert held and adjourned to 1-3-89 at 10:00. mm
12-14-88	12-23-88	42.	ORDERED combined with notice that the United States Trustee file a motion to convert or dismiss the chapter 11 proceeding. A hearing on this motion is set for 1-31-89 at 10:00. Written objections to be filed by 1-23-89.
12-27-88	1-9-89	43.	ORDER combined with notice that a hearing on the motion to dismiss or convert the chapter 11 case is set for 1-31-89 at 10:00. Certificate of mailing of 71 notices. mm
12-28-88	1-9-89		BK JUDGE COAR
1-9-89	1-12-89	44.	ORDER take notice that on 1-31-89 at 10:00 a hearing will be held on the debtor's motion to compromise controversy with Portable Tool Sales and Service. mm
			BK JUDGE COAR
1-5-89	1-13-89		Adjourned hearing on debtor's motion to enforce the automatic stay and for damages and sanctions held and adjourned to 1-31-89 at 10:00. mm
1-9-89 55/	1-30-89	45.	ORDER take notice that on 1-31-89 at 10:00 a hearing will be held on the debtor's motion to compromise controversy with Portable Tool Sales and Service, Inc....Objections to be filed on or before 1-27-89. Certificate of mailing of 74 notices. m
1-19-89	1-30-89		BK JUDGE COAR

CONTINUED

DATE FILED	DATE OF ENTRY	DOC. NUMBER	RECORD
1-31-89			Adjourned hearing re motion of U.S. Trustee to convert, held and concluded. cr
1-31-89	2-2-89	46	ORDERED that this chapter 11 case is converted to a Chapter 7. Debtor to file a final report and schedule of Post Petition debts within 30 days of the entry of this order. cr BK JUDGE COAR
1-31-89			Adjourned hearing re debtor's motion to enforce the automatic stay and for damages and sanctions, held and concluded. cr
1-31-89	2-2-89	47	ORDERED debtor's motion to enforce the automatic stay and for damages and Sanctions is moot, and removed from the Court's calendar. cr BK JUDGE COAR
2-15-89	2-24-89	48.	Notice of meeting of creditors and of automatic stay set for 3-9-89 at 3:00 in Chicago.
2-17-89	2-24-89		Certificate of mailing of 73 notices. mm (CONVERTED)(NO ASSETS)
2-23-89		49	Notice of Motion and Motion of Mid South Supply corporation for Payment of Administrative Expense. ds
2-23-89	3-3-89	50	ORDERED Motion denied without prejudice. Movant to file Chapter 11 administrative expens. ds (COAR)
3-2-89	3-6-89	51.	Notice of Motion and Trustee's motion for leave to retain attorneys
3-2-89	3-6-89	52.	ORDERED that trustee is authorized to employ [REDACTED] [REDACTED] of the law firm of Raleigh and Helms and [REDACTED] "of Counsel" to the law firm of Raleigh and Helms to represent the trustee in all legal matters. mm BK JUDGE COAR
4-13-89	4-17-89	53.	Notice of Motion and Application of trustee to compromise controversy
4-13-89	4-17-89	54.	ORDER hearing set for 5-12-89 at 10:00. Objections to be filed by 5-9-89. Notice to issue to all creditors. mm

DATE FILED	DATE OF ENTRY	DOC. NUMBER	RECORD
4-13-89	4-17-89	55.	<p>ORDER and Notice that Portable Tool has agreed to pay \$650 to this estate and waive its administrative claim of \$248 in full settlement of debtor's claim....Any parties desiring to object to the settlement must file a written objection on or before 5-9-89.... A hearing on the trustee's application to compromise controversy will be heard on 5-12-89 at 10:00. mm</p> <p>BK JUDGE COAR</p>
5-12-89	5-30-89		<p>Hearing on trustee's motion to compromise controversy held and concluded. mm</p>
5-22-89	5-30-89	56.	<p>ORDERED that the trustee is authorized to accept the offer of Portable Tool, Sales and Service, Inc. in the sum of \$650 in full and complete settlement and satisfaction of all claims asserted in this proceeding and it is further ordered that the administrative claim of Portable Tool, Sales and Service, Inc. in the sum of \$248 for rental of equipment is waived and it is further ordered that trustee is authorized to execute any and all documents necessary to effectuate said settlement. mm</p> <p>BK JUDGE COAR</p>
4-28-89	6-28-89	57.	<p>ORDER Clerk's Office directed to issue immediate service of notice regarding: motion of trustee to compromise and settle controversy set for 5-12-89. mm</p> <p>BK JUDGE COAR</p>
4-13-89	7-7-89	58.	<p>ORDER and notice that trustee filed an application with the Court for leave to settle a controversy with Portable Tool Sales and Service, Inc.....The hearing on trustee's application together with objections will be conducted on 5-12-89 at 10:00. Objection to be filed on or before 5-9-89.</p>
4-28-89	7-7-89		<p>Certificate of mailing of 74 notices. mm</p> <p>BK JUDGE COAR</p>



U.S. Department of Justice

Federal Bureau of Investigation

In Reply, Please Refer to
File No. 29A-10382

219 South Dearborn
Chicago, Illinois 60604

December 6, 1989

Honorable Anton R. Valukas
United States Attorney
Department of Justice
Fifteenth Floor - South
Everett McKinley Dirksen Building
219 South Dearborn Street
Chicago, Illinois 60604

Attention: Assistant United States Attorney
[redacted]

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RE: [redacted] NICK LACOCO,
aka Nick Lococo, dba
MIDWEST PROTECTIVE COATING;
BF&E

Dear Mr. Valukas:

Enclosed for the attention of Assistant United States
Attorney (AUSA) [redacted] are the following items:

Affiliated Asset-Based Lending Services (AABLS) letter
dated October 13, 1988, enclosing MPC invoices.

FD-302 dated October 11, 1988, reflecting interview of
AABLS [redacted]

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AABLS items provided by [redacted] on January 5,
1989, pursuant to Federal Grand Jury Subpoena.

FD-302 dated October 20, 1989, reflecting interview of
[redacted] Morton Grove Bank (MGB).

FD-302 dated October 20, 1989, reflecting interview of
[redacted] MGB.

Q

Honorable Anton R. Valukas
Attention: AUSA [REDACTED]

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MPC Employees and Accountants

FD-302 reflecting interview of [REDACTED]

FD-302 dated February 23, 1989, reflecting interview of [REDACTED]

FD-302 dated February 23, 1989, reflecting interview of [REDACTED]

FD-302 dated October 28, 1988, reflecting interview of [REDACTED]

FD-302 dated October 25, 1988, reflecting interview of [REDACTED]

MPC Customers

FD-302 dated February 22, 1989, reflecting interview of [REDACTED] Maecorp.

FD-302 dated February 21, 1989, reflecting interview of [REDACTED] Stauffer Chemical Company.

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FD-302 dated March 2, 1989, reflecting interview of [REDACTED] Bulkmatic.

FD-302 dated March 2, 1989, reflecting interview of [REDACTED] Bulkmatic.

FD-302 dated February 3 and 6, 1989, reflecting interview of [REDACTED] Standard Boiler.

Non-Existent Receivables

FD-302 dated April 18, 1989, reflecting interview of [REDACTED] Uptown Auto.

FD-302 dated April 18, 1989, reflecting interview of [REDACTED] Uptown Auto.

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Honorable Anton R. Valukas

Attention: AUSA [redacted]

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FD-302 dated April 19, 1989, reflecting interview of
[redacted] D. Andrich Cartage.

FD-302 dated March 31, 1989, reflecting interview of
[redacted] Rail Dispatch.

Special Agent (SA) [redacted] will be in contact
with AUSA [redacted] to further discuss this matter.

Sincerely yours,

[redacted]
Special Agent in Charge

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By:

[redacted]
Supervisory Special Agent

Memorandum



To : SAC, CHICAGO (29B-10382) (P)

Date 2/7/90

From : SA [REDACTED] (SQ13/NRA)

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b7C

Subject:

[REDACTED]
NICK LOCOCO, aka;
MIDWEST PROTECTIVE COATINGS,
INCORPORATED;
ETC.; BF&E;
OO: CHICAGO

On January 14, 1990, Assistant United States Attorney (AUSA) [REDACTED] was advised that AFFILIATED ASSET-BASED LENDING SERVICES (AABLS), through their [REDACTED] was attempting to reach an out-of-court settlement with [REDACTED] dba MIDWEST PROTECTIVE COATINGS, INCORPORATED, and their attorneys.

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AUSA [REDACTED] advised that since the settlement may be in the near future, he wanted to be kept advised of the status of the proposed settlement.

2 - Chicago
JPR:dak
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29B-10382-23

SEARCHED	INDEXED
SERIAL	FILED
FEB 7 1990	
FBI - CHICAGO	
[Signature]	

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 01/17/90

Attorney [] 29 South LaSalle, Chicago, Illinois, was telephonically contacted at [] advised that the parties involved in the civil suit by AFFILIATED ASSET BASED LENDING SERVICES (AABLS) and MIDWEST PROTECTIVE COATING (MPC) have agreed to a settlement which has not yet been finalized. AABLS will dismiss the pending litigation when the bank receives a new first mortgage on property owned by [] parents.

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[] advised that one of the problems is that the Assessor's Office misplaced a decimal point and a tax bill was received for \$16,000.00 rather than \$1,600.00.

[] advised that he believes that [] is currently in Cook County Jail.

[] advised that AABLS has recovered money from MPC from most of the companies that MPC representatives illegally secured payment for services rendered. [] advised that he is proceeding in a suit against STAUFFER CHEMICAL for an approximately \$13,000.00 check that they should not have provided to [] and/or NICK LOCOCO.

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[] advised that the proposed settlement between MPC and AABLS will be for a fraction of the amount of money outstanding.

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Investigation on 01/10/90 at Arlington Heights, IL File # CG 29A-10382 -24
by SA [] /dak Date dictated 01/10/90

FEDERAL BUREAU OF INVESTIGATION

- 1 -

Date of transcription 04/17/90

[redacted] white male, born [redacted] residence [redacted] Illinois, telephone number [redacted] and who does business as [redacted] [redacted] was telephonically contacted at his place of employment at telephone number [redacted] He advised that he incorporated [redacted] in 1975 and is a wholesale supplier of [redacted]

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[redacted] advised that he has been married for approximately 13 years and is currently seeking a divorce in Cook County Court from his wife, [redacted] He advised that he recently got correspondence from his attorney indicating that he must take some type of action by May 24, 1990, to proceed further in the divorce suit. [redacted] indicated that his wife is delaying the court process for the divorce filing.

[redacted] advised that his wife is residing at her parents [redacted] in Chicago. He contacts her through her pager, [redacted] [redacted] advised that he believes [redacted] and his wife, [redacted] also reside at this [redacted] address.

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[redacted] stated that MIDWEST PROTECTIVE COATINGS, the company formerly operated by [redacted] and NICK LACOCO, is in bankruptcy. [redacted] was asked about checks made out to MIDWEST PROTECTIVE COATINGS that were deposited to his business account, [redacted] He advised that his wife, [redacted] and NICK LACOCO gave him checks for a few months in 1988 and asked him to cash them. He indicated that they needed money to buy paint and other products. [redacted] stated that he would give cash to them when they asked him to negotiate checks or if he did not have the cash on hand, would wait until he had the amount of the check and then provide it to [redacted] or NICK LACOCO. [redacted] indicated that he did not enter them into any of his ledgers and handled them as he would any other deposit.

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When asked, [redacted] advised that it has probably been over a year since he last saw NICK LACOCO.

Investigation on 04/12/90 at Arlington Heights, IL File # CG 29B-10382 -25
by SA [redacted] dak Date dictated 04/12/90

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Memorandum



To : SAC, CHICAGO (29B-10382)

Date 5/3/90

From : SA [redacted] (SQ13/NRA)

Subject: [redacted]

ET AL;
ETC.

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After various unsuccessful attempts to contact [redacted] a telephone call was received from her on April 25, 1990. [redacted] was advised that the FBI wanted to talk to her regarding her business dealings with AFFILIATED BANK and AABLS. She left a phone number of [redacted] as a contact number. She stated that she would consult with her attorney to see how he would advise her.

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Later the same day, contact was made with [redacted] NIELSON AND ELLIOTT, Chicago, Illinois, telephone number (312)346-7800. [redacted] was advised of the FBI investigation regarding possible false statements to the AFFILIATED BANK/AABLS group. He stated that he represents [redacted] and NICK LOCOCO regarding their civil matter concerning MIDWEST PROTECTIVE COATINGS versus AABLS. He advised that he would contact [redacted] and LOCOCO to further discuss this matter and would advise the FBI of how he advises them to proceed.

2 Chicago
APR. dak dak
(2)

29B-10382-26

SEARCHED	INDEXED
SERIAL 177	FILED
MAY 3 1990	
FBI - CHICAGO	
[signature]	



CALUMET NATIONAL BANK

5231 HOHMAN AVE. • HAMMOND, INDIANA 46320
219-932-6900 • 312-374-3800

May 8, 1990

[redacted]
Special Agent
Federal Bureau of Investigation
Post Office Box 450
Arlington Heights, Illinois 60005

Re: Grand Jury - 88GJ1455

Dear [redacted]

As discussed in our previous phone conversation, I am enclosing copies of the signature card and monthly account statements from February, 1988 to December, 1988 for [redacted]

[redacted] After you have reviewed said items, please notify me as to which deposits you would like to check.

I am also enclosing a billing form OBD-211 for the work completed to this point. Please send another form OBD-211 for any additional work requested.

If you have any questions please contact the undersign at (312) 374-3800 extension [redacted]

Sincerely,

[redacted signature]

Customer Service Department

encl: 25

OBD-211 TO ACBA
COPIES TO IA 5-14-90
[redacted box]

24B-10382-27

SEARCHED	INDEXED
SERIALIZED	FILED
MAY 14 1990	
FBI - CHICAGO	
[signature]	

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The following investigation was conducted by Special Agent (SA) [] on May 9, 1990:

A telephone call was placed to Attorney [] Chicago, Illinois, telephone number (312)346-7800. He advised that he represents [] and NICK LACOCO and that they have both decided not to make themselves available for interview by the FBI.

[] was advised by [] and LACOCO that they were attempting to renegotiate loans at the AFFILIATED BANK. They were at the bank on one occasion when [] allegedly signed a form which was blank but to which was later added a list of receivables. [] stated that supposedly a bank officer has been deposed to that effect.

LACOCO and [] indicated to [] that MIDWEST PROTECTIVE COATINGS' former [] delivered invoices he prepared to the bank regarding the renegotiation of loan agreements.

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The following investigation was conducted by Special Agent (SA) [] on May 10, 1990, at Arlington Heights, Illinois:

[] Chicago, Illinois, was telephonically contacted at [] advised that he just received papers from the attorney representing [] and NICK LACOCO, which arranged to put [] parent's apartment building on [] up as security for a \$70,000.00 mortgage. Terms of the agreement call for the note to be paid off in 5 years. These funds would go to the AFFILIATED BANK/MORTON GROVE and thereafter the bank and its sister company, AABL, would disburse the funds. [] stated that the matter was set for trial for Monday, May 14, 1990, at the time this settlement was reached.

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[] commented that AFFILIATED BANK [] arranged a security interest on the part of the bank in April of 1984 in this same property. The bank decided that it wanted additional collateral regarding its lending to MIDWEST PROTECTIVE COATINGS, INCORPORATED (MPC).

[] advised that it is his information that no AABL or AFFILIATED BANK officer was deposed regarding [] and LACOCO, dba MPC. He advised that it is his information that the terms of the loan being provided by AABL in April of 1988 were known to all the parties signing the documents. Items provided by [] and LACOCO showed their accounts receivable. [] and other bank employees were at this meeting. The paperwork had an adding machine tape which showed the amounts of the receivables. This was used, in part, as the basis for the new loan given by AABL to MPC.

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[] stated that AFFILIATED BANK and AABL had approximately \$135,000.00 outstanding and that approximately \$70,000.00 of this will be handled by the note on the Halsted property. [] indicated that there were additional fees which relate to interest and legal fees.

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CG 29B-10382
JPR:dak

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The following investigation was conducted by Special Agent (SA) [] on June 15, 1990:

[] advised that [] of the firm NESSENT & ELLIOT, is in the process of withdrawing from representing LACOCO and []

[] stated that [] of the AFFILIATED BANK GROUP was deposed by an attorney from BURKE & SMITH sometime ago. [] advised that there is no need to undergo the expense of having the deposition typed. The deposition indicates that the amounts used in the loan documents at AFFILIATED ASSET-BASED LENDING (AABL) was taken from a tape run of the various invoices that [] and LACOCO, dba MIDWEST PROTECTIVE COATING, submitted to AABL.

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29B-10382-30

CG 29B-10382
JPR:dak

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The following investigation was conducted on July 6, 1990, by Special Agent (SA) [REDACTED]

[REDACTED] 1000 East 80th Place, Merrill, Indiana 46410, work phone number [REDACTED] home phone number [REDACTED] telephonically contacted the writer and advised that he is representing NICK LOCOCO. [REDACTED] was advised of the allegations regarding LOCOCO and was referred to Assistant United States Attorney (AUSA) [REDACTED] for further information. [REDACTED] commented that he previously represented LOCOCO in a traffic matter.

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29B-10382-31



CALUMET NATIONAL BANK

5231 HOHMAN AVE. • HAMMOND, INDIANA 46320
219-932-6900 • 312-374-3800

July 19, 1990

[Redacted]

Federal Bureau of Investigation
Post Office Box 450
Arlington Hts., Illinois 60006

Re: Grand Jury - 88GJ1455

Dear [Redacted]

In response to your additional request, our research department checked all items deposited to [Redacted] on June 24, 1988 and July 7, 1988. She was unable to locate a check in the amount of \$2,280.00 on those days.

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Sincerely,

[Redacted]

Customer Service Department

[Redacted]

29B-10382-32

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SEARCHED	INDEXED
SERIALIZED	FILED
AUG 10 1990	
FBI - CHICAGO	
[Signature]	

The following information was obtained from [redacted]
[redacted] Chicago, Illinois, telephone number [redacted] on
August 10, 1990, by Special Agent (SA) [redacted]

[redacted] stated that approximately 3 1/2 weeks ago he
appeared in court representing AFFILIATED ASSET BASED LENDING
(AABL), Morton Grove, Illinois, in their suit against [redacted]
and NICK LOCOCO, dba MIDWEST PROTECTIVE COATING (MPC). [redacted]
attorney was withdrawing from the case probably due to lack of
payment of their legal bill. [redacted] stated that [redacted] asked him
how they could settle the suits against her, LOCOCO and MPC.

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[redacted] advised her that her folks could sign a first
mortgage regarding their property on South Halsted, for
approximately \$70,000.00. It would also be necessary to
straighten out the real estate tax situation for that residence.

[redacted] advised that payments would have to be made from
March, 1990 to the current time regarding the originally proposed
date for the mortgage signing.

b6
b7C

[redacted] advised that he gave the pertinent paperwork
regarding the first mortgage for the Halsted property to [redacted]

[redacted] advised that it was on or about July 27, 1990,
that [redacted] and LOCOCO came to his office with the executed
documents regarding the remortgaging of the property on South
Halsted. NICK LOCOCO wrote out a check for \$3,071.50, drawn on
the MERCANTILE BANK OF INDIANA, Hammond, Indiana. It was on the
account of L & L LEASING, 3341 South Union, Chicago, Illinois.
The check was dated July 27, 1990, and represented payments from
March to July of 1990. The mortgage document, [redacted] believes,
calls for monthly payments with a balloon payment at the end of
five years. The AFFILIATED BANK is holding this mortgage.
[redacted] sent in the August, 1990 payment
regarding this mortgage.

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[redacted] advised that he has an address of [redacted]
[redacted] Indiana [redacted] and also has an address of
[redacted] Illinois [redacted] telephone number
[redacted]

Memorandum



To : SAC, CHICAGO (29B-10382) (P)

Date 9/17/90

From : SA [REDACTED] (SQ13/NRA)

Subject: [REDACTED]
NICK LACOCO;
ETC;
BF&E;
OO: CHICAGO

b6
b7C

On September 5, 1990, Assistant United States Attorney (AUSA) [REDACTED] Chicago, Illinois, advised that he was recently contacted by NICK LACOCO [REDACTED] Chicago, Illinois. AUSA [REDACTED] requested that the writer make himself available for a meeting with him and [REDACTED] on September 10, 1990, at 1:30 p.m., at the United States Attorney's Office.

2 Chicago
JPR:dak
(2)

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29B-10382-34

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 18 1990	
FBI — CHICAGO	

The following investigation was conducted on
September 17, 1990, by Special Agent (SA) [redacted]

[redacted] Chicago, Illinois, telephonically
advised that he had recent telephonic contact with [redacted] at
her parents residence in or near [redacted] was
contacting her as a tax problem regarding the South Halsted
property was not cleared up and it was his intention to start
foreclosure proceedings on the property.

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[redacted] advised [redacted] that she expected to return to the
Chicago area next Monday, with her father, and advised him that
she would get together with him at that point to settle the real
estate tax problem on the South Halsted property.



U.S. Department of Justice

Federal Bureau of Investigation

In Reply, Please Refer to
File No.

219 South Dearborn
Chicago, Illinois 60604
October 10, 1990

Fred L. Foreman
United States Attorney
Department of Justice
Fifteenth Floor - South
Everett McKinley Dirksen Building
219 South Dearborn Street
Chicago, Illinois 60604

Attention: Assistant United States Attorney
[Redacted]
Special Prosecutions Division

b6
b7C

Dear Sir:

Per your request of October 3, 1991, to Supervisory Senior Resident Agent (SSRA) [Redacted] attached is information regarding cases awaiting prosecution on Financial Institution Fraud charges resulting from investigation conducted by agents of the Arlington Heights Office of the Federal Bureau of Investigation (FBI).

Any questions concerning the listed cases may be directed to SSRA [Redacted] or the specific case agent listed at telephone number [Redacted]

Your assistance in this matter is greatly appreciated.

Sincerely,

b6
b7C

DELBERT N. DILBECK
Special Agent in Charge

By:

[Redacted]
Supervisory Senior
Resident Agent


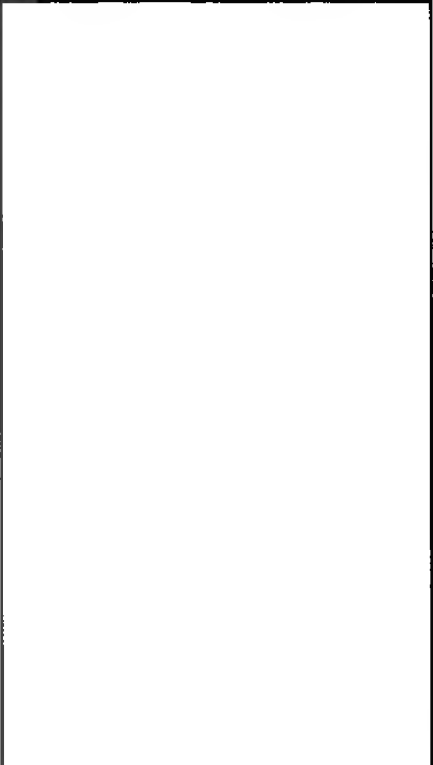
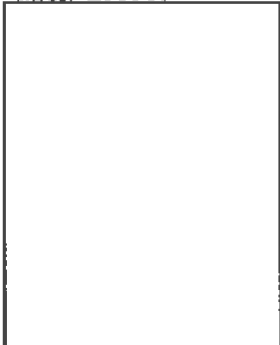
① - 29B-10382

29B-06-10382-35X1

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 12 1992	
FBI - CHICAGO	

WRE

FINANCIAL INSTITUTION FRAUD CASES AWAITING PROSECUTION
NORTH RESIDENT AGENCY, CHICAGO DIVISION
FEDERAL BUREAU OF INVESTIGATION

<u>SUBJECT(S)</u>	<u>FINANCIAL INSTITUTION</u>	<u>AUSA</u>	<u>FBI AGENT</u>	<u>FILE #</u>	
	Northern Trust Bank			29B-9748	
	Affiliated Bank/ Morton Grove			29B-10118	
	Harris Bank/Glencoe			29B-10195	
	Harris Bank/Glencoe			29K-10505	
	Life Savings of America			29D-9354	
	Heritage Bank of Schaumburg			29C-CG- 82346	
Citicorp			17A-1799		
<u>NICK LOCOCO</u> 	Affiliated Bank/ Morton Grove				29B-10382
	Harris Bankcorp, Glencoe				29K-CG- 74775
	First Cook Bank, Morton Grove				29B-CG- 77241
	First National Bank of Chicago			29C-10141	
	Harris Trust and Savings			29C-10114	
	Seaway National Bank			29B-10324	

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UNIBANCTRUST

NBD Highland Park and
5 Other Banks

Household Bank,
Hoffman Estates

Land of Lincoln Savings,
Hoffman Estates

Bank of Northern Illinois

First National Bank of
Lincolnshire

29B-10357

29B-CG-
79006

29K-CG-
77167

29C-10551

29K-CG-
76370

29C-10504

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J7C

LAW OFFICES OF
DONALD L. NEWMAN & ASSOCIATES
2 NORTH LA SALLE STREET - SUITE 2010
CHICAGO, ILLINOIS 60602
(312) 641-6693

October 15, 1990

Agent [redacted]
Federal Bureau of Investigation
P.O. Box 450
Arlington Heights, IL 60006

b6
b7C

RE: Affiliated Asset Based Lending
Services, [redacted] Nick
La Coco [redacted]

Dear [redacted]

You recently asked me to search our office files for copies of three checks payable to Midwest Protective Coatings, Inc. and negotiated by its employees, officers or agents, issued by Columbus-Cuneo Hospital, Bulkmatic Transport Company and K.A. Steel Chemicals, Inc. A diligent search of our office files has failed to disclose a copy of the Columbus-Cuneo Hospital check.

However, we are enclosing a photocopy of the front and back of check number 022703, in the amount of \$460.00, issued by K.A. Steel Chemicals, Inc. to Midwest Protective Coatings on May 2, 1988, which appears to have been negotiated and deposited by Midwest on May 13, 1988 through the Northern Trust Company.

We are also enclosing a copy of the front and the back of check number 018333, issued by Bulkmatic Transport Company, dated April 20, 1988, in the amount of \$430.00 payable to Midwest Protective Coatings, which appears to have been negotiated through the Northern Trust Company and the First National Bank of Chicago on May 13, 1988.

I trust these documents will complete your file and assist in your investigation of the possible criminal activities of the above named individuals.

Should I be of further assistance to you in this matter, please feel free to call upon me.

Very truly yours,

DONALD L. NEWMAN & ASSOCIATES

b6
b7C

cc: [redacted]

DN/kd

Memorandum



To : SAC, CHICAGO (29B-CG-10382)

Date 2/26/91

From : SA [REDACTED]

Subject: [REDACTED]

ET AL;
BF & E;
OO: CHICAGO

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AUSA [REDACTED] has been in contact with NICK LOCOCO [REDACTED] regarding a proposed indictment in this matter.

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On 2/13/91, AUSA [REDACTED] advised that the demands of other cases has prevented him from doing further work on indicting this case. AUSA [REDACTED] advised that he should be contacted during the latter part of the week of 2/20/91 since he is currently working on a brief.

1 Chicago
JRR/kac
(1)

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29B-10382-37

SEARCHED	INDEXED
SERIALIZED <i>bm6</i>	FILED <i>bm6</i>
FEB 27 1991	
[REDACTED] <i>WRE</i>	

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 7/3/91

[] THE AFFILIATED BANK/LAKE ZURICH, Lake Zurich, Illinois, was telephonically contacted at []

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Regarding the April 29, 1988, meeting he had at AFFILIATED ASSET BASED LENDING SERVICES, INC. (AABLS), 8700 North Waukegan Road, Morton Grove, Illinois, he can recall that [] ran a tape of invoices that were brought to the meeting by [] doing business as (dba) MIDWEST PROTECTIVE COATINGS (MPC), wanted to secure loan funds based upon the companies receivables. [] stated that when the tape was run, the total (amount unrecalled - [] stated he could review records to come up with the exact amount) was used as the basis for the amount of loan funds that would be provided to MPC.

[] recalls that when he amount was told to [] she indicated that she wanted an additional percentage of the accounts receivables rather than what AABLS was offering. She indicated to those present that the receivables were good and that she wanted more money advanced to her. [] stated that [] was advised that AABLS had guidelines as to what percentage of the receivables a borrower could receive.

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Investigation on 7/2/91 at Arlington Heights, Illinois File # 29-CG-10382 38

by SA []

sjf

Date dictated 7/2/91b6
b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/5/91

[] AFFILIATED ASSET-BASED LENDING SERVICES, INC. (AABLS), 8700 North Waukegan Road, Morton Grove, Illinois, telephone number [] was telephonically contacted. He advised that he was in attendance at a meeting, at AABLS, on April 29, 1988, with [] and NICK LOCOCO, dba MIDWEST PROTECTIVE COATINGS, INC. (MPC). [] advised that MPC was indebted to the AFFILIATED BANK and was having cash flow problems. MPC through LINZ and LOCOCO was attempting to receive financing for accounts receivables as evidenced by the invoices that they presented to AABLS on April 29, 1988.

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[] advised that [] and LOCOCO came to AABLS late in the day and that secretarial help had gone by the time the meeting was completed. [] stated that he believes it was AABLS' [] that reviewed the invoices presented by [] and ran a tape to get a total amount of the invoices presented.

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[] stated that it would not be unusual for the promissory note that was used by AABLS at that time not to be filled out at the time of the meeting. [] stated that he did not have a copy of this promissory note in front of him, but that if [] had filled it in later, he would be able to identify his handwriting. [] stated that this was all agreed to by the participants and is best evidenced by the checks which were cut by AABLS to MPC and to other institutions at the directions of MPC.

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[] advised that he can specifically recall [] signing various bank documents and believes that NICK LOCOCO also signed some documents.

Investigation on 8/2/91 at Arlington Heights, IL. File # 29B-CG-10382

by SA [] kac Date dictated 8/5/91

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29B-CG-10382

JPR/veb

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On January 30, 1992, [REDACTED] ILLINOIS STATE POLICE-DCI, Joliet, Illinois, advised that [REDACTED] was indicted and arrested on January 29, 1992, on twenty-seven counts of theft and four counts of perjury. The case pertains to homes that [REDACTED] was in the process of building on lots in Mokena, Illinois. [REDACTED] investigation shows that [REDACTED] benefitted by submitting false sworn affidavits to the tune of approximately \$760,000.00. [REDACTED] advised that [REDACTED] allegedly received approximately \$600,000.00 as the result of defrauding sub-contractors, and another approximately \$160,000.00 from defrauding individuals who were buying homes through [REDACTED]. The perjury counts pertain to false affidavits that [REDACTED] completed.

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[REDACTED] advised that he did not currently have a copy of the indictment, but when he receives one, he will forward it to the FEDERAL BUREAU OF INVESTIGATION (FBI).

J

29B-CG-10382-40

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 07 1992	
FBI - CHICAGO	
[Signature]	

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 2/24/92

[redacted] UPTOWN AUTO SUPPLY, 4077
North Broadway, Chicago, Illinois, advised that [redacted]
UPTOWN AUTO and that he is her [redacted]

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Reference was made to MIDWEST PROTECTIVE COATING (MPC) invoice number 1219 that [redacted] had been previously contacted about. She stated that MPC did not do any work at UPTOWN AUTO, but had sent a bill, with a substantial amount on it, to UPTOWN AUTO. [redacted] stated that she believes she supplied a copy of this MPC bill to agents that had previously contacted her. [redacted] was advised that the previous agents were not supplied with a copy of the MPC bill. [redacted] then indicated that she does not believe that she had the bill available at the time she was contacted by the other agents. She volunteered that any bill that she did have from MPC was probably destroyed by now.

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[redacted] advised that she could not recall exactly when the store floor was painted. [redacted] stated that [redacted] would be the best person to talk to regarding that.

Investigation on 2/19/92 at Chicago, Illinois File # 29B-CG-10382

by SA [redacted] veb Date dictated 2/20/92

b6
b7c

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 2/24/92

[redacted] white male, date of birth (DOB) [redacted] was interviewed at his place [redacted] ANDRICH CARTAGE, INCORPORATED. [redacted] advised that in 1988, he was assisting his father [redacted] which was then known as D. ANDRICH CARTAGE, INCORPORATED and GALEWOOD CARTAGE, INCORPORATED.

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[redacted] advised that he has been acquainted with NICK LOCOCO since LOCOCO is employed by the CHICAGO DEPARTMENT OF STREETS AND SANITATION and he [redacted] does some work for the CITY OF CHICAGO. [redacted] advised that he has never requested a bid to have work done at his facility by LOCOCO, doing business as (dba) MIDWEST PROTECTIVE COATING (MPC). [redacted] viewed MPC invoice 1213, dated April 4, 1988. He advised that the job site indicated on that invoice (930 West 18th Street), is a vacant lot. [redacted] advised that he does not own a warehouse that is approximately 80 feet by 200 feet.

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b7C

[redacted] viewed invoice number 1211, dated March 31, 1988. [redacted] stated that the contract calls for work to be done on an "all structural steel" facility. [redacted] advised that the building at 1121 is made of brick and wood and that there is no "structural steel".

Referring to the MPC invoice, [redacted] stated that D. ANDRICH CARTAGE, INCORPORATED did not have customer purchase orders.

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b7C

[redacted] stated that he has not talked with NICK LOCOCO about the MPC invoices.

Investigation on 2/19/92 at Chicago, Illinois File # 29B-CG-10382-4/2
by SA [redacted] veb Date dictated 2/20/92

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- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/2/92

[redacted] white male born [redacted] and who is employed as the [redacted] of the LYNCH GROUP, 5301 West Irving Park Road, Chicago, Illinois 60641, telephone number [redacted] was interviewed at his office.

[redacted] advised that he met NICK LOCOCO through mutual friends. [redacted] believes that it was approximately four years ago that LOCOCO asked him [redacted] if he wanted an estimate on having his floors painted at his auto supply store known as UPTOWN AUTO SUPPLY at 4077 North Broadway, Chicago, Illinois. [redacted] believes that LOCOCO provided him with a written estimate. [redacted] thought perhaps that it may have been hand written or in pencil and that it was kind of an informal estimate.

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When asked, [redacted] stated that he believes that NICK LOCOCO measured the floor that he was giving him a bid on. [redacted] advised that he does not re-call the estimate amount but does re-call that it was a high amount for the work that was to be done. [redacted] advised that he ultimately had store employees paint the concrete floor.

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When [redacted] was shown MIDWEST PROTECTIVE COATING invoice 1219, he commented that he did not ask to have any shelves, bins or storage units included in the estimate from LOCOCO.

[redacted] stated that any calls to UPTOWN AUTO regarding verification of an invoice probably would have been directed him. [redacted] advised that he does not re-call receiving a phone call regarding invoice 1219.

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[redacted] was asked if he ever talked to LOCOCO about invoice 1219. [redacted] advised that after being contacted by Agents previously regarding this matter, he had a telephonic conversation with LOCOCO wherein he asked him about the invoice being submitted to a bank. LOCOCO advised [redacted] that he did not know what he was talking about and gave the impression to [redacted] that he really did not want to talk about it.

Investigation on 2/25/92 at Chicago, Illinois File # 29B-CG-10382

by SA [redacted] /lbs Date dictated 2/28/92

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b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/19/92

[redacted] white male born [redacted] Illinois telephone number [redacted] and who resides at [redacted] Illinois [redacted] was interviewed at the Arlington Heights Resident Agency. [redacted] advised that he moved from Rail Cartage (RC) 4335 Southwestern, Chicago, Illinois in approximately February of 1990 to his current business location.

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He advised that he is involved in piggyback transportation. He uses company owned trucks to haul empty railroad trailers to customers and thereafter returns them to the railroad when the customer has filled them. He advised that his company owns and operates conventional tractors.

[redacted] believes that he owned ten trucks in 1988. He advised that none of them were acid haulers nor did they have the identifying numbers of 42, 43 or 65.

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[redacted] advised that any body work and/or painting is done by MARTY G's, Crestwood, Illinois.

[redacted] advised that he never asked for a bid from NICK LOCOCO for anything. He advised that back in 1988 he was probably aware that LOCOCO was involved in some type of a company but did not know much more about it.

[redacted] advised that he knows of NICK LOCOCO from the area where he grew up in the vicinity of [redacted] in Chicago. [redacted] advised that he has been divorced from his wife for approximately six years. He advised that LOCOCO's wife and his wife used to play bingo together, regularly, on Sunday nights. [redacted] advised that he had little social contact with LOCOCO and that he believes he's only talked to him once since last contacted by the FBI on this matter. [redacted] asked LOCOCO about the aforementioned invoices. [redacted] indicated that LOCOCO responded with words to the effect that he did not know exactly what it was about and that he would check into it.

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Investigation on 3/17/92 at Arlington Heights, Ill File # 29B-CG-10382 - *44*

by SA [redacted] lbs Date dictated 3/17/92

b6
b7C

Memorandum



To : SAC, CHICAGO (29B-10382)

Date 11/5/92

From : SA [redacted] (SQUAD 13/NRA)

Subject: [redacted]
NICK LOCOCO, aka
Nick Lacoco;
MIDWEST PROTECTIVE COATINGS;
OO: CHICAGO

b6
b7C

AUSA [redacted] has advised that in light of the recent indictment of [redacted] on State theft charges, he wants to further review the evidence in this matter, since [redacted] would be one of the government's key witnesses if this matter goes to trial.

On 10/22/92, AUSA [redacted] advised that due to the press of other cases, he had been unable to review this matter. AUSA [redacted] advised that he anticipates reviewing this matter in the near future.

Chicago
JPR/rml rml
(1)

29B-10382-45

SEARCHED	INDEXED
SERIALIZED	FILED
NOV 06 1992	
FBI - CHICAGO	

Rmk

1*

Memorandum



To : SAC, CHICAGO (29B-CG-10382) (P)

Date 7/6/93

From : SA [redacted] (NRA/13)

Subject:

[redacted]
NICK LOCOCO-SECRETARY, aka;
dba MIDWEST PROTECTIVE COATINGS, INC.
ET AL;
FIF;
OO: CHICAGO

b6
b7C

On 6/28/93, Illinois State Police, Detective [redacted] telephone number [redacted] advised that [redacted] appeared in Will County Court this date but the case was postponed. [redacted] advised that he is attempting to secure the new court appearance date for [redacted] from the Assistant State's Attorney handling the matter.

On 6/28/93, AUSA [redacted] was advised that [redacted] did not plead to any counts regarding his Will County indictment and that the case has been postponed. [redacted] advised that potential charges against [redacted] and LOCOCO could be difficult to prove at trial if the prosecution had to rely to any great extent on [redacted] who currently stands indicted on felony charges and made plead to various counts of perjury.

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On 6/29/93, Detective [redacted] advised that the matter involving [redacted] has been postponed to October 18, 1993.

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On 6/30/93, a message was left for AUSA [redacted] regarding the postponement date. He was unavailable to further discuss the prosecutorial merit of this case.

1 Chicago
JRR/kac
(1)

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29B-CG-10382-46

SEARCHED	INDEXED
SERIALIZED <i>M</i>	FILED <i>M</i>
JUL 15 1993	
FBI - CHICAGO	
<i>Amc</i>	

Memorandum



To : SAC, CHICAGO (29B-CG-10382)

Date 8/26/93

From : SA [redacted]

Subject: NICK LOCOCO, aka;
[redacted] dba
MIDWEST PROTECTIVE COATINGS,
FIF
OO: CHICAGO

b6
b7c

On 8/17/93, AUSA [redacted] advised that he wanted to wait until [redacted] case is adjudicated in Will County Court before he makes a final prosecutive decision regarding captioned matter. [redacted] advised that it is highly unlikely that captioned matter could be prosecuted considering that [redacted] has been indicted on theft charges and may plead to perjury charges in a plea agreement. It is noted that [redacted] next court appearances is scheduled for October 18th, in Will County Court.

1-Chicago
JPR/cjc
(1)

29B-CG-10382-477

SEARCHED	INDEXED
SERIALIZED <i>M</i>	FILED <i>M</i>
AUG 27 1993	
FBI - CHICAGO	
<i>BWR</i>	

Memorandum



To : SAC, CHICAGO (29B-CG-10382)

Date 11/15/93

From : SA [redacted] (SQ. 13/NRA)

Subject: NICK LOCOCO aka;
[redacted]
dba MIDWEST PROTECTIVE COATINGS;
FIF;
OO: CHICAGO

b6
b7C

On 11/12/93, I.S.P. Detective [redacted] advised that [redacted] case in Will County Court was set for trial on 2/4/94. [redacted] advised that he would contact the FBI if anything developed that would alter that date.

AUSA [redacted] was advised (via voicemail) of the above.

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2/11/94 DET. [redacted] ADVISED THAT [redacted] MATTER
DELAYED UNTIL 5/2/94; R. MAY ADVISED
JR

Chicago (29B-CG-10382)
JRR/veb
[signature]

29B-CG-10382
M M -248

[signature]



U.S. Department of Justice

Federal Bureau of Investigation

In Reply, Please Refer to
File No. 29B-CG-10382

219 South Dearborn
Chicago, Illinois 60604
March 14, 1994

Honorable James B. Burns
United States Attorney
Department of Justice
Everett McKinley Dirksen Building
Fourth Floor
219 South Dearborn Street
Chicago, Illinois 60604

Attention: Assistant United States Attorney
[redacted]

b6
b7C

Re: Nick Lococo;
[redacted]

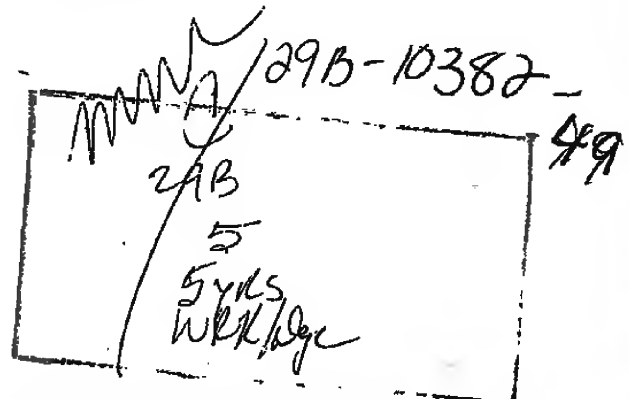
Dear Sir:

On March 10, 1994, Assistant United States Attorney (AUSA) [redacted] and Special Agent (SA) [redacted] of our office, discussed the case involving Nick Lococo [redacted] Lococo [redacted] allegedly supplied fraudulent accounts receivable to the Affiliated Bank - Morton Grove, Morton Grove, Illinois, in approximately April of 1988. Assisting Lococo [redacted] who did business as Midwest Protective Coatings, was their [redacted] [redacted] subsequently advised the Affiliated Bank that he had become aware that certain receivables submitted by [redacted] and Lococo were allegedly not legitimate.

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The Affiliated Bank through their attorney, dealt with the attorney for Lococo [redacted] and reached a financial settlement regarding the civil suit that Affiliated Bank filed against Midwest Protective Coatings. Though a settlement was reached, Lococo [redacted] stated that some of the accounts receivables listed in bank documents were placed there subsequent to them (Lococo [redacted] signing the documents.

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B

In January of 1992, Illinois State Police Detective [redacted] Joliet, Illinois, advised that [redacted] was indicted and arrested on January 29, 1992 on 27 accounts of theft and four counts of perjury. This matter pertained to a home building project that [redacted] was involved in in Mokena, Illinois. [redacted] investigation had shown that [redacted] benefitted by submitting false, sworn affidavits and resultantly had illegally obtained approximately \$760,000. This matter is still pending in Will County Court and [redacted] expects that a minimum, [redacted] would plead to the four counts of perjury.

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On March 10, 1994, AUSA [redacted] advised that your office would decline prosecution in this matter due to the indictment of [redacted] on perjury charges who would be a main government witness if this case was indicted and went to trial. Therefore no further investigation is being conducted by this office.

Very truly yours,

b6
b7C

WILLIAM D. BRANON
Special Agent in Charge

WRK/dgc

By:

[redacted]

Supervisory Senior Resident Agent

Memorandum



To : SAC, CHICAGO (183B-2197) (P)

Date 12/11/89

From : SA [redacted] (SQ. 6A)

b6
b7C

Subject: ANGELO LAPIETRA;
ET AL;
RICO
OO: CHICAGO

On Tuesday, November 29, 1989, Supervisor [redacted] Chicago Police Officers [redacted] ILLINOIS STATE Police Officer [redacted] as well as SA [redacted] met with Strike Force Chief [redacted] and Strike Force Attorney [redacted]. The purpose of the meeting was to discuss future prosecution of captioned case (which includes evidence from file 183B-2340).

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[redacted] advised that his office would pursue perjury charges against [redacted] as well as others who may have perjured themselves (which includes [redacted]). [redacted] advised, however, that realistically prosecution would not occur in a time to have impact on testimony of future Grand Jury witnesses.

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Discussion concerning narcotics charges against [redacted] FRANK INFELISE related to the Strike Force's willingness to prosecute these individuals. It should be noted that even though a relatively small amount of cocaine was seized from subjects there is evidence (statements) which have been obtained that these subjects were party to many other narcotics transactions and numerous telephone intercepts were obtained indicating that much larger quantities of both cocaine and heroin transactions were discussed if not consummated. [redacted] stated his office was willing to review the evidence and possibly support prosecution, however, was pessimistic that the UNITED STATES ATTORNEY'S OFFICE would support the prosecution. [redacted] further expressed reluctance to tie up court time on this prosecution. It should be noted that Attorney [redacted] expressed a desire (in September) to indict this narcotics case in November. As a result, all pertinent information was furnished to [redacted] in order to support that objective. Considerable effort

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b7C

2 - Chicago
① - 183B-2340
(1 - 183B-2197)
ECB/pes
(2)

183B-2340-13A

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R	<input checked="" type="checkbox"/>
E	<input type="checkbox"/>
NE	<input type="checkbox"/>

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[redacted]	SCD

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CG 183B-2197

was expended to do so.

The main topic of discussion centered on prosecution of the "26th Street Crew." The following conclusions were reached:

1. Although intelligence indicates that [] and his organization is part of the "26th Street Strew" there is insufficient evidence to combine future prosecution of the [] organization with captioned matter and investigation out of 183B-2340.

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2. Currently sufficient evidence has not been developed to prosecute JAMES or ANGELO LAPIETRA; believed to be the present and former boss of the "26th Street Crew" respectively.

3. Evidence to prosecute the following individuals as part of an IGB with related charges including IRS violations debts has already been obtained:

JOSEPH FRANK LAMANTIA - "SHORTY"



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It should be noted that successful prosecution of JOSEPH FRANK LAMANTIA is contingent on the courts future ruling that tapes of conversations including LAMANTIA at [] are audible. Further, [] may be an unindicted co-conspirator as he is facing serious narcotics charges. Prosecution of [] may hinge on their cooperation as all have cooperated.

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4. It was decided that criminal evidence against a number of individuals exists, however, insufficient evidence exists to connect their illegal activities to the above IGB/IRS prosecution even though intelligence information certainly indicates they are part of the above organization. These people include but are not limited to the following:

CG 183B-2197

[REDACTED]
NICK LOCOCO
[REDACTED]

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* not believed to be part of "26th Street Crew" but have evidence or knowledge of crew.

5. It was agreed that efforts should not be directed at developing evidence against individuals identified in number four above to place them in the group identified number three above for prosecution. It was agreed that evidence against the above should be used to try to obtain additional evidence against the "26th Street Crew" in general through the use of the Federal Grand Jury, immunity and the case of [REDACTED] pressure of future indictment.

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6. It was also decided to meet again in February, 1990 to review this matter.

Memorandum



To : SAC, CHICAGO (183B-2197) (P)

Date 12/15/89

From : SA [REDACTED] (SQ. 6A)

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Subject: ANGELO LA PIETRA;
ET AL;
RICO;
OO: CHICAGO

The below represents a review of FGJ testimony regarding captioned case and file 183B-2340:

<u>FILE #</u>	<u>DATE</u>	<u>NAME</u>	<u>SUMMARY</u>
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183B-2340 Vol #4	11/15/89		
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183B-2340 Vol #4	11/15/89		
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183B-2340 Vol #4			
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183B-2340 Vol #4			
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183B-2340 Vol #4	9/27/89		
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(1-183B-2340)

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183B-2340 9/27/89
Vol #4

183B-2340 9/27/89
Vol #4

183B-2340 9/27/89
Vol #4

183B-2340 9/20/89
Vol #4

183B-2340 9/20/89
Vol #4

183B-2340 9/20/89
Vol #4

183B-2340 9/20/89
Vol #4

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183B-2340 9/13/89
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Vol #3

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183B-2340 9/13/89
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183B-2340 9/13/89
Vol #3

183B-2340 8/30/89
Vol #3

183B-2340 8/30/89
Vol #3

183B-2340 8/30/89
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183B-2340 8/30/89
Vol #3

138B-2340 8/30/89
Vol #3

183B-2340 8/30/89
Vol #3

183B-2340 8/30/89
Vol #3

183B-2340 8/30/89
Vol #3

183B-2197 8/9/89
Vol #5

183B-2197 8/9/89
Vol #5

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183B-2197 8/9/87
Vol #5

183B-2197 8/9/89
Vol #5

183B-2197 7/26/89
Vol #5

183B-2197 7/26/89
Vol #5

183B-2197 7/26/89
Vol #5

183B-2197 7/26/89
Vol #5

183B-2197 7/26/89
Vol #5

183B-2197 8/23/89
Vol #6

183B-2197 8/16/89
Vol #6

183B-2197 8/16/89
Vol #6

183B-2197 8/16/89
Vol #6.

183B-2197 8/2/89
Vol #6

183B-2197 8/2/89
Vol #6

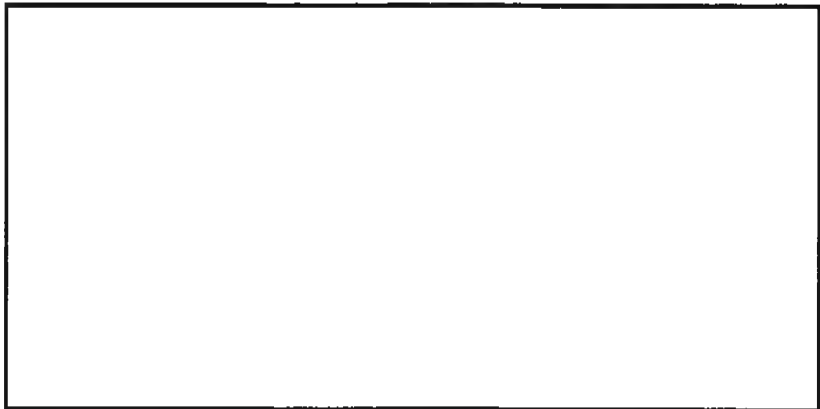
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183B-2197

183B-2197 8/2/89
Vol #6

183B-2197 8/2/89
Vol #6

183B-2197 8/2/89
Vol #6



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Note: Additional FGJ testimony in 183B-2197 Vol #4 which cannot be located.

Memorandum



To : SAC, CHICAGO (183B-2197) (P)

Date 1/24/90

From : SA [REDACTED] (SQUAD 6A)

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Subject : ANGELA LA PIETRA;
ET AL;
RICO;
OO: CHICAGO

The below represents a review of FGJ testimony regarding captioned case and file 183B-2340:

<u>File #</u>	<u>Date</u>	<u>Name</u>	<u>Summary</u>
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183B-2197 Vol #4	7/19/89	[REDACTED]	[REDACTED]
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183B-2197 Vol #4	Serial 212	[REDACTED]	[REDACTED] [REDACTED]
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183B-2197 Vol #4	7/12/89	[REDACTED]	[REDACTED] [REDACTED] [REDACTED] [REDACTED]
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1 - 183B-2197
① - 183B-2340
ECB/dm
(2)

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<u>File #</u>	<u>Date</u>	<u>Name</u>	<u>Summary</u>
cont'd			

183B-2197	7/12/89		
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183B-2197 Vol #4	7/12/89		
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183B-2197	6/28/89		
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183B-2197 Vol #4	6/28/89		
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CG 183B-2197

<u>File #</u>	<u>Date</u>	<u>Name</u>	<u>Summary</u>
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183B-2197 Vol #4	6/28/89		
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183B-2197 Vol #4	6/28/89		
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183B-2197 Vol #4	6/28/89		
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183B-2197 Vol #4	6/21/89		
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CG 183B-2197

<u>File #</u>	<u>Date</u>	<u>Name</u>	<u>Summary</u>
183B-2197 Vol #4	6/21/89		

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Memorandum



To : SAC, CHICAGO (183B-2197) (P)

Date 2/8/90

From : SA [REDACTED] (SQUAD 6A)

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Subject : ANGELO LA PIETRA;
ET AL;
RICO;
OO: CHICAGO

The below comprises a review of evidence against individuals who are believed to be members/associates of the 26th Street crew, but on whom insufficient evidence has been developed to place them in a conspiracy involving others of the 26th Street crew which has been developed.

1) [REDACTED] During consensual recordings made by cooperating witness [REDACTED] the following events occurred. [REDACTED] placed a telephone call to [REDACTED] and asks [REDACTED]

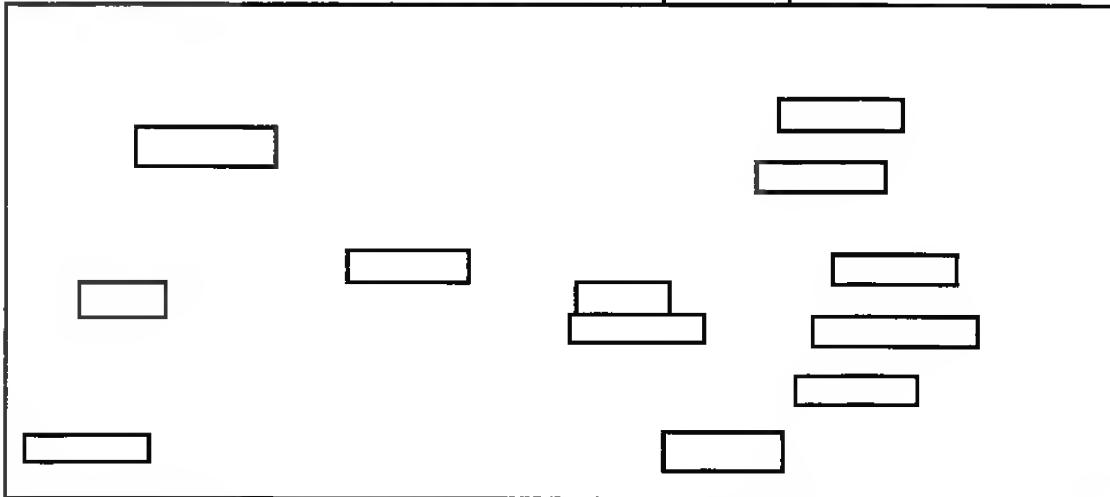
[REDACTED]

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① - 183B-2340
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A subscriber check revealed the above telephone [redacted] was subscribed to by [redacted] Chicago, Illinois, DOB [redacted] 5'8" in height, 170 pounds, according to Illinois driver's license data. A review of pen and trap information regarding the above telephone [redacted]
[redacted]

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2) NICK LOCOCO: Cooperating Witness [redacted] has advised that LOCOCO used to be "close to" "SKIDS" CARUSO and used to fence items with [redacted]. According to IR 550205 LOCOCO was arrested on May 22, 1979, by VCD Officer [redacted] and charged with Keeper of Bets, Transmitting Bets by telephone and being a Keeper of Gambling Place. He pleaded not guilty and was found not guilty by Judge [redacted]. On June 19, 1981, a confidential source advised Agents of FBI that LOCOCO was a collector of gambling debts and food coupon money collections from store owners. [redacted] a Chinaman who worked for ILLINOIS BELL allegedly made illegal telephone installations in bookmaking wirerooms for LOCOCO. On October 7, 1981, a source advised that [redacted]

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[redacted] LOCOCO was allegedly a collector for this organization and a cousin of LOCOCO [redacted]
[redacted]

[redacted] also took small bets over telephone number [redacted]. Allegedly the above bookmaking operation run for ANGELO LA PIETRA. On May 18 and 25, 1984 a confidential source characterized LOCOCO as a gambling operator and collector. LOCOCO is a [redacted] of RIZZA FORD. Information received from the DEPARTMENT OF LABOR in June of 1983 revealed that LOCOCO "takes care" of [redacted] [redacted] for letting him "operate" apparently meaning as a bookmaker and that LOCOCO uses [redacted] Chicago, (who is related to [redacted] as a messenger for his operation. On May 20, 1986, Officer of the CHICAGO POLICE DEPARTMENT (VCD) executed a search warrant at [redacted] relating to gambling. In the room of [redacted] a quantity of sports wagers and items related to parley cards were found. In addition a telephone was found in a bedroom closet. It was determined that [redacted] no longer resided at the address, [redacted] was arrested at [redacted] and advised that one and a half years ago LOCOCO asked him if he could put a phone in his apartment but denied knowledge of the phone use for bookmaking a the wagers found in the room at [redacted]. On the same day May 20, 1986, officers of the VCD executed a search warrant at LOCOCOS residence 220 W. 24th Street 2nd floor. LOCOCO claimed no knowledge of a telephone number listed on the warrant. The officers found a telephone line laying on the ground next to the house. The officers determined the line was the same one listed in the warrant. The officers discovered a call forwarding connection between the telephone at [redacted] and at NICK LOCOCO'S residences. The call forwarding feature was knocked out and officers learned people were calling to place bets asking for "NICK". One [redacted] shot NICK LOCOCO on 9/13/87. Soon thereafter local newspapers reported that the shooting was related to [redacted] having a "juice" loan outstanding from LOCOCO. [redacted] was interviewed by SA [redacted] on 9/16/87 and by Detective [redacted] on 8/15/89. In addition [redacted] appeared before the FGJ on 8/23/89 and 9/13/89.

[redacted]
[redacted] Some evidence regarding this loan was furnished by [redacted] on 9/13/89. On July 11, 1988, one [redacted]

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was intercepted in conversations with [redacted] during a Title III [redacted]
[redacted] who to date is not cooperating said NICK was NICK LOCOCO and 3 was a reference to \$3,000.00. [redacted] took the 5th for FGJ. On 1/27/89 SA [redacted] advised that a source furnished NICK LOCOCO'S telephone as a telephone being used to accept wagers. During additional intercepts at [redacted] was intercepted in a conversation with [redacted]

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3) [redacted] According to [redacted] was indicted on syndicated gambling charges after an arrest by VCD on March 30, 1981. He was again arrested on October 4, 1983, by VCD on gambling related charges. The case was SOLED. Records of the CHICAGO POLICE DEPARTMENT revealed that [redacted] was observed during a surveillance on [redacted] to be meeting with LCN associate HAL SMITH (deceased) a bookie. During an interview on 8/31/89 by the IRS [redacted] advised he had placed wagers on football with [redacted] stating fifteen years ago and stopped when [redacted] was arrested. On 11/15/89 [redacted] appeared before the FGJ [redacted] On 9/20/89 [redacted] appeared before a FGJ [redacted] (supra) appeared before FGJ on 9/20/89 also. During a [redacted]

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[REDACTED]

4) [REDACTED] On November 3, 1986, [REDACTED] was arrested on gambling charges by VCD. On February 2, 1988, [REDACTED] was found guilty and given 20 months probation with a \$6,000.00 fine. At the time of his arrest [REDACTED] had \$12,080.00 in his possession as well as a large quantity of sports wagers. During a summary of a meeting between [REDACTED] which was recorded on [REDACTED]

[REDACTED] On 8/25/89 [REDACTED] advised that [REDACTED] is a bookie and has been for approximately ten years. During a [REDACTED]

[REDACTED] On 8/17/89 [REDACTED] stated [REDACTED] took over [REDACTED] booking operation and that [REDACTED] told [REDACTED] in February of 1989 that [REDACTED] pays 2-\$3000 a week in "street tax" to the LCN to operate his bookmaking operation. Further [REDACTED] uses the THREE HAPPINESS RESTAURANT for his bookmaking activities; having "20 runners". [REDACTED] stated he has observed [REDACTED] paying winners bettors. [REDACTED] stated [REDACTED] placed bets with [REDACTED] On [REDACTED] an incoming call (from [REDACTED] residence) was intercepted over telephone [REDACTED] An individual identifying himself as [REDACTED] engaged in a conversation with [REDACTED]

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[REDACTED]

[REDACTED] Interviews of [REDACTED] have been conducted. [REDACTED] testified before the FGJ against [REDACTED] on 9/20/89 as did [REDACTED]

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5) [redacted] was arrested on 11/13/81, 4/7/21, and 3/22/84 on gambling related charges. Under [redacted] all of the reported charges were dropped (SOL'ed). On [redacted] during an outgoing call to the residence of [redacted] were intercepted in a court authorized wiretap. [redacted]

[redacted] The unknown male may be [redacted] with whom [redacted] was previously arrested on gambling charges.

6) [redacted] was arrested on May 10, 1988, at ROSIE'S SNACK SHOP for operating a

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CG 183B-2197

sports bookmaking business using a pay telephone. During a court ordered wiretap at [redacted] [redacted] were intercepted in a conversation in which [redacted] himself was intercepted during telephone calls on the below dates.

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- a)
- b)
- c)
- d)
- e)
- f)

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[redacted]

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[redacted] took the 5th when subpoenaed to FGJ as did [redacted] has cooperated. In addition [redacted] consensually recorded a conversation with [redacted] related to gambling on [redacted] paid [redacted] \$150 for gambling debts owed to [redacted] as well as parley cards [redacted] instructed [redacted] that straight football wagers could be placed at [redacted] By way of background on 10/28/88 [redacted] advised that a [redacted] gave him a number to place football bets. On 11/2/88 [redacted] recognized a photograph of [redacted] as that of [redacted] had been given 50 parley cards by [redacted] on this date.

7)		Review of pen register and "trap"
data reveals		

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Time

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b3

Time

-8-

[REDACTED]

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Source information strongly indicates that [REDACTED] was the conduct of "street tax" payments from the [REDACTED] gambling operation to the LCN. This source information together with the above interceptions would strongly indicate this to be true. Further [REDACTED] during a [REDACTED]

[REDACTED]

[REDACTED] stated he made such payments to "SKIDS" CARUSO until the early 1980's. During April 20, 1988, a gambling raid by the FBI at the [REDACTED] confirmed the gambling operation but effectively shut down the operation and ended "street tax" payments as well as the opportunity to gain other than historical evidence of such. [REDACTED] is to be indicted in the near future as a part of the [REDACTED] case".

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8) [REDACTED] to whom the vehicle driven by "JUNIOR" is registered to. He has a DOB of [REDACTED] and had his criminal record expunged in 1982. He was last known to be a business agent for Local 1001 of the Laborers Union. It is unknown if [REDACTED] was intercepted during numerous Title IIIs targeting the 26th Street Crew, however, it is believed he was intercepted on microphone at [REDACTED]

[REDACTED]

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U.S. Department of Justice

Federal Bureau of Investigation

In Reply, Please Refer to
File No.

Chicago, Illinois 60604

April 19, 1991

ANGELO LA PIETRA, ALSO KNOWN AS (AKA);
ET AL;
Racketeer Influenced and Corrupt Organization,
(RICO); Illegal Gambling Business (IGB); Extortionate
Credit Transaction (ECT);
OO: CHICAGO
(183B-CG-2197)



RICO; IGB; ECT;
OO: CHICAGO
(183B-CG-2340)

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The purpose of this memorandum is to briefly synopsise the captioned FEDERAL BUREAU OF INVESTIGATION (FBI) Chicago Division traditional organized crime investigations in order that a more logical conclusion can be made as to the prosecutability of these investigations. A secondary purpose of this memorandum is to concisely detail the two captioned investigation's relationship to other pending FBI Chicago Division investigations, and as such to the overall Chicago Division Organized Crime Program.

The LA PIETRA case was predicated upon historical, confidential source, and cooperative witness (CW) information that indicated that JOSEPH FRANK LA MANTIA, aka "Shorty", was involved in the operation of a portion of the 26th Street Crew/Chinatown Crew of the Chicago La Cosa Nostra (LCN) operating on the near South Side of the City of Chicago for the La Pietra's. Previously opened investigations targeting ANGELO LA PIETRA (the crew chief or Capo of this crew who has since been incarcerated on Federal charges in the FBI'S STRAWMAN investigation), his brother JAMES LA PIETRA (who by default has inherited the leadership of the 26th Street Crew), and FRANK CARUSO were consolidated into the LA PIETRA case.

The [redacted] case was predicted on confidential source information as well as CW information that Chicago Chinatown gambler and racketeer [redacted] was loaning out Extortionate Credit Transaction (ECT) or "juice loan" money for Chicago LCN figure [redacted]. In addition, confidential source information identified [redacted] a

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ANGELO LA PIETRA. AKA:

[REDACTED]
as a heroin trafficker.

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Evidence from numerous search warrants executed on persons, locations and mail, as well as witnesses developed during interview and Federal grand jury testimony, established the operation of horse and sports bookmaking as well as usurious loans and tax law violations in the Bridgeport/Chinatown area of Chicago. Evidence developed shows control of rackets by JOSEPH FRANK LA MANTIA, [REDACTED] and their associates. The approximate volume of the illegal money earned by this illegal enterprise can be determined by a qualified gambling expert for trial purposes.

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In connection with the above information, traditional FBI investigative techniques were utilized by the FBI Organized Crime Task Force (OCTF) to develop the probable cause necessary to effect Title III coverage of the following types at the locations indicated (although the two captioned investigations have been operated administratively separately, for the purposes of this memorandum they will be referred to as one investigation as it is almost impossible to functionally understand the investigations in any other fashion.

<u>NDI</u>	<u>COVERAGE</u>	<u>TELEPHONE</u>	<u>LOCATION</u>	<u>DATES</u>

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Discussions with FBI Chicago Division OCTF Agents and officers familiar with this investigation have determined that as a result of the investigation, the following subjects could be prosecuted:

JOSEPH FRANK LA MANTIA, aka "Shorty"

[REDACTED]

[REDACTED]

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ANGELO LA PIETRA. AKA:

[REDACTED]

[REDACTED]

[REDACTED]

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Among the Federal and state violations that these individuals could be charged with are:

Title 18, USC, Section 1623 - False Declarations before grand jury. Title 18, USC, Section 1962(c) and (d) - RICO, Section 1955(b) - IGB, Section 1951 - Street Tax, Section 892 - ECT, Section 894 - Collection of ECT. Under State law, Chapter 38, Illinois Revised Statutes, Section 12-6 - Intimidation, and Sections 28-1, 28-1.1, 28-3 - Gambling offenses. Title 21, USC, Section 841, Illegal Possession/Distribution of Heroin.

Potential witnesses/co-conspirators in this case could include the following individuals:

[REDACTED]

NICK LOCOCO

[REDACTED]

[REDACTED]

ANGELO LaPIETRA
JAMES LaPIETRA
FRANK CARUSO
FRANK INFELISE

[REDACTED]

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In addition, it is probable that indictable INTERNAL REVENUE SERVICE (IRS) cases can be brought against the following individuals as a result of this investigation:

[REDACTED]

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Among the CW's who have provided information with regards to the criminal activities of ANGELO LA PIETRA and the 26th Street Crew/Chinatown Crew, and who could be tasked with relating their knowledge of those activities at a Federal grand jury or trial are the following individuals:

CW NAME

YEARS TESTIMONY

SUBJECTS TESTIMONY

[REDACTED]

1956-1982

[REDACTED]
[REDACTED]

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ANGELO LA PIETRA, AKA:

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<u>CW NAME</u>	<u>YEARS TESTIMONY</u>	<u>SUBJECTS TESTIMONY</u>
[REDACTED]	1960-1980	[REDACTED]
[REDACTED]	1970'S	[REDACTED]
[REDACTED]	1980'S	[REDACTED]
[REDACTED]	1987-88	[REDACTED]
[REDACTED]	1988	[REDACTED]
[REDACTED]	1970'S-1989	[REDACTED]
[REDACTED]	1970'S	[REDACTED]
Numerous bettors/ juice victims	1970'S to present through ongoing Federal Grand Jury	[REDACTED]

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The LA PIETRA/[REDACTED] cases are related to the Chicago FBI investigation of the ON LEONG CHINESE MERCHANTS ASSOCIATION (OLCMA).

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The most recent development in the OLCMA of significance to the LA PIETRA/[REDACTED] cases is the information provided by [REDACTED] area Chinese restaurant owner and FBI CW who has a [REDACTED] with the government.

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[REDACTED] has, through a photographic display, identified Chicago LCN associates [REDACTED] as having been involved in arranging the [REDACTED] to "Shorty" "street tax" payments.

ANGELO LA PIETRA. AKA:

[redacted]
Investigators familiar with these cases are confident that the "Shorty" referred to by [redacted] is JOSEPH LA MANTIA, aka "Shorty", or [redacted] and "Shorty". [redacted] has successfully testified in an FBI [redacted] Division organized crime case, as well as in the ongoing On Leong case pending in the Northern District of Illinois (NDI).

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The significance of [redacted] interview lies in the obvious relationship between the OLCMA and the Chicago Outfit, 26th Street Crew. The payment of OLCMA "street tax" to the Outfit provides the element that has been lacking in this investigation. This development of the OLCMA paying money to the 26th Street Crew for OLCMA gambling elevates this investigation from a relatively simple traditional organized crime gambling case to the more sophisticated and interesting organized crime activity of extortion.

Obtaining the cooperation of [redacted] therefore becomes central to the successful prosecution of these investigations. Presently, [redacted] possible cooperation with the government hinges on his possibly being found guilty in the On Leong case.

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Attached to this memorandum is a chart detailing the known inter-relationship between the various bettors and subjects in these cases.

Of corollary significance in this case is their relationship to the FBI Chicago Division "OPERATION ICE", (Investigation of Chicago Enterprise) case. That case targets the leadership of the Chicago Outfit. It is noted that for "OPERATION ICE" to be successful, indictments and convictions of all the Outfit street crews will be needed. These cases offer the FBI Chicago Division's concerted effort to target the 26th Street Crew of the Chicago LCN, a process that was begun in 1986.

Memorandum



To : SAC, CHICAGO (281A-CG88433)

Date 4/14/93

From : SA [REDACTED] (SQUAD 6A)

Subject:

[REDACTED]
ET AL;
OC/DI - LCN AND ITALIAN ORGANIZATIONS

An analysis of Court authorized Title III pertinent
interceptions from [REDACTED]

[REDACTED] Chicago, Illinois,
revealed the following:

<u>INTERCEPTEE</u>	<u>PERIOD OF INTERCEPTION</u>	<u>TOTAL</u>
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PARTICIPANTS

INTERCEPT DATE

INTERCEPT TIME

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An analysis of pertinent intercepts from Court
authorized Title III of [redacted]

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[redacted] Chicago, Illinois was conducted. Coverage
dates [redacted] The analysis revealed the following
interceptees involved in the following criminal activities:

SUBJECTS



CRIMINAL ACTIVITY

bookmaking
bookmaking
bookmaking
bookmaking
bookmaking and loansharking

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A review of evidence obtained from search warrants
issued is as follows:

LOCATION OF SEARCH

DATE OF SEARCH

EVIDENCE

211 West Cermak
Chicago, Illinois

February 2, 1988

C.P.D.
Wagers

211 West Cermak
Chicago, Illinois

February 25, 1988

C.P.D.
Wagers and
scratch sheet

211 West Cermak
Chicago, Illinois

April 15, 1988

C.P.D.
Wagers

723 South Western
Chicago, Illinois

August 1, 1988

Betting slips
Racing sheets

[redacted]

[redacted]

August 1, 1988

notated papers

5032 South Christiana
Chicago, Illinois

August 1, 1988

notated papers

[redacted]

August 1, 1988

sheets/numbers

2644 South Wells
Chicago, Illinois

August 1, 1988

notated papers

[redacted] GINO'S TAVERN

10739 South Ridgeland
Chicago Ridge, Illinois

August 1, 1988

payoff papers
with numbers

[redacted] AMERICAN LEGION

b6
b7C

LOCATION OF SEARCH**DATE OF SEARCH****EVIDENCE**

2609 South Halsted
Chicago, Illinois

August 1, 1988

notated papers

[REDACTED] MIL-ZYM PALLETS

108 West Gartner Road
Naperville, Illinois
HARRY FRANK/COLONY FOODS

August 4, 1988

wagers
notated papers

b5
b7C

1235 North State
Chicago, Illinois

October 30, 1989

odds sheets
notated papers

[REDACTED]

SUBJECTS

WITH LEADERSHIP ROLE:

NAME: JOSEPH FRANK LAMANTIA
ALIAS: "SHORTY", ROCCO MORANO, ROCCO MADIA, JOSEPH LAMANTIS
RACE: White
SEX: Male
DOB: February 1, 1934
POB: Chicago, Illinois
HEIGHT: 5'7"
WEIGHT: 225'
HAIR: Gray
EYES: Brown
FBI NUMBER: 677113A
CHICAGO IR #: 26316
LKA: 2812 South Shields, Chicago, Illinois
EMPLOYMENT: None

NAME: [REDACTED]
ALIAS: [REDACTED]
RACE: White
SEX: Male
DOB: [REDACTED]
POB: Chicago, Illinois
HEIGHT: 5'8"
WEIGHT: 160'
HAIR: Brown
EYES: Brown
FBI NUMBER: [REDACTED]
CHICAGO IR #: [REDACTED]
LKA: [REDACTED] Chicago, Illinois
EMPLOYMENT: Truck Driver - CHICAGO SUN-TIMES NEWSPAPER

b6
b7C

NAME: [REDACTED]
ALIAS: [REDACTED]
RACE: White
SEX: Male
DOB: [REDACTED]
POB: [REDACTED]
HEIGHT: 5'11"
WEIGHT: 162'
HAIR: BLACK
EYES: BROWN
CHICAGO IR #: [REDACTED]
LKA: [REDACTED] Chicago, Illinois
EMPLOYMENT: CHICAGO STREETS AND SANITATION DEPT.

b6
b7C

PARTICIPATING SUBJECTS:

NAME: FRANK J. ABBATEMARCO
RACE: White
SEX: Male
DOB: April 17, 1923
HEIGHT: 5'6"
WEIGHT: 120'
HAIR: Brown
EYES: Brown
SSAN: 349-94-4094
ILLINOIS DL: A135-2702-3110
LKA: 15324 Tree Top Drive, Orland Park, Illinois
EMPLOYMENT: Manager: AMERICAN LEGION CLUB
10739 South Ridgeland, Chicago Ridge, Illinois

NAME: [REDACTED]
ALIAS: [REDACTED]
RACE: White
SEX: Male
DOB: [REDACTED]
HEIGHT: 5'7"
WEIGHT: 200'
HAIR: Brown
EYES: Brown
SSAN: [REDACTED]
ILLINOIS DL: [REDACTED]
LKA: [REDACTED] Chicago, Illinois
EMPLOYMENT: K.L. SPRING STAMPING CORPORATION
3323 West Addison, Chicago, Illinois

b6
b7C

NAME: [REDACTED]
ALIAS: "30"
RACE: White
SEX: Male
DOB: [REDACTED]
HEIGHT: 6'1"
WEIGHT: 210'
HAIR: Brown
EYES: Brown
SSAN: [REDACTED]
ILLINOIS DL: [REDACTED]
LKA: [REDACTED] Chicago, Illinois
EMPLOYMENT: CHICAGO PARK DISTRICT

b6
b7C

NAME: [REDACTED]
RACE: White
SEX: Male
DOB: [REDACTED]
SSAN: [REDACTED]
LKA: [REDACTED] Chicago, Illinois

b6
b7C

NAME: NICHOLAS M. LOCOCO
RACE: WHITE
SEX: MALE
DOB: April 12, 1940
HEIGHT: 6'1"
WEIGHT: 195'
HAIR: BLACK
EYES: BROWN
FBI NUMBER: 240079V2
ILLINOIS DL: L220-6334-0105
CHICAGO IR #: 550205
LKA: 220 West 24th Place, Chicago, Illinois
EMPLOYMENT: CHICAGO STREETS AND SANITATION DEPT.

NAME: [REDACTED]
RACE: White
SEX: Male
DOB: [REDACTED]
HEIGHT: 6'0"
WEIGHT: 210'
HAIR: Brown
EYES: Brown
CHICAGO IR #: [REDACTED]
ILLINOIS DL: [REDACTED]
SSAN: [REDACTED]
LKA: [REDACTED] Illinois
EMPLOYMENT: Owner - MIL/SZYM PALLET COMPANY INC.

b6
b7C

NAME: [REDACTED]
ALIAS: [REDACTED]
RACE: Oriental
SEX: Male
DOB: [REDACTED]
POB: Hong Kong, China
HEIGHT: 5'7"
WEIGHT: 135'
HAIR: Brown
EYES: Brown
SSAN: [REDACTED]
ILLINOIS DL: [REDACTED]
EMPLOYMENT: Waiter - THREE HAPPINESS RESTAURANT
209 West Cermak Road Chicago, Illinois

b6
b7C